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Recommendation Summary

Budget Period:2005-07

Version: 31 - 05-07 Agency Req 2007 Sup wCB RPT

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 060 - Economic Services Admin					
M1 - Mandatory Caseload and Enrollment Changes					
93 Mandatory Caseload Adjustments	0	0.0	(928)	(70)	(998)
IN Mandatory Targeted Workload Adj	0	8.3	618	460	1,078
SubTotal M1		8.3	(310)	390	80
Cumulative Total Thru M1		8.3	(310)	390	80
M2 - Inflation and Other Rate Changes					
8F Fuel Rate Adjustment	0	0.0	2	3	5
8M Mileage Rate Adjustments	0	0.0	43	48	91
8P Postage Rate Adjustments	0	0.0	194	146	340
9F Federal Funding Adjustment	0	0.0	0	(19,981)	(19,981)
9T Transfers	0	(0.5)	(250)	19	(231)
FT Incapacity Exams	0	0.0	454	114	568
FX SSP MOE Correction	0	0.0	1,544	0	1,544
IQ County Legal Funding	0	0.0	74	144	218
PK Network Transition Costs	0	0.0	82	56	138
VN Office Reloc One-Time Costs	0	0.0	91	83	174
VT OB-2 Rehabilitation	0	0.0	181	181	362
SubTotal M2		(0.5)	2,415	(19,187)	(16,772)
Cumulative Total Thru M2		7.8	2,105	(18,797)	(16,692)
PL - Performance Level					
IP DRA - Medical Child Support	0	0.5	32	61	93
IX IVR Upgrade	0	0.0	207	191	398
IY Payment Accuracy Training	0	0.0	130	120	250
SubTotal PL		0.5	369	372	741
Cumulative Total Thru PL		8.3	2,474	(18,425)	(15,951)
Total Proposed Budget for Program		8.3	2,474	(18,425)	(15,951)
060 - Economic Services Admin					

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Economic Services Administration (ESA) requests a reduction in funds of (\$998,000) for the 2007 Supplemental due to caseload changes in the June 2006 forecast.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	(928,000)	(928,000)
001-2 General Fund - Basic Account-Federal	0	(22,000)	(22,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	0	(48,000)	(48,000)
Total Cost	0	(998,000)	(998,000)

Staffing

Package Description:

ESA requests a reduction in funds of (\$998,000) for the 2007 Supplemental due to caseload changes in the June 2006 forecast. ESA provides work-related services, child support services, financial, food, and other assistance to eligible clients. This request reflects the changes associated with the Department of Social and Health Services (DSHS) Budget Office, and the Caseload Forecast Council caseload projections for ESA programs. This updated forecast for ESA programs includes caseload and cost estimates for the Division of Child Support (DCS) Child Support Recoveries, General Assistance (GA), Food Assistance Program (FAP) for Legal Immigrants, and Refugee Cash Assistance (RCA).

RCA provides cash grants to needy refugees who have settled in Washington State. The population served by this benefit are refugees authorized by the United States State Department to immigrate to the country. Refugees are granted permanent residence authorization. The goal of this program is to help refugees attain self-sufficiency. The adjusted need is a decrease of (\$22,000) in Fiscal Year 2007 due to decreased caseload.

GA - This program provides cash assistance for low-income adults who are unemployable based on a medical impairment and/or applying, and appear to be eligible, for federal Supplemental Security Income (SSI) benefits. The adjusted reduction from the current allotment is (\$920,000) in Fiscal Year 2007.

Child Support Recoveries - The Division of Child Support (DCS) provides collection services to custodial parents regardless of their participation in a grant program. Collections for families on assistance are retained by the state and shared with the federal government to offset the costs of the TANF grant. The department estimates the slight increase in recoveries to be (\$97,000) Fiscal Year 2007.

FAP for Legal Immigrants provides state Basic Food benefits for legal immigrants who are not eligible for federal food benefits due to their immigration status. The forecast assumes a slight increase in caseload. The adjusted need is \$41,000 in Fiscal Year 2007.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Goal E. Increase Employment and Self Sufficiency. Objective 1. Quickly connect individuals and families to the cash, medical, work-related, and other benefits and services they need.

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Performance Measure Detail

Agency Level

Activity: F011 Child Support Recoveries

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: F039 General Assistance - Interim SSI (GA-U/X)

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: F042 Immigrant State Food Assistance

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: F083 Refugee Assistance Income

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Reason for change:

The adjustments for each caseload reflect forecasted changes in the number of cases for which grants must be provided. The changes associated with each caseload do not reflect any change in the type or level of service provided by ESA.

Impact on clients and services:

These budget reductions will have no impact on clients or services.

Impact on other state programs:

None

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

None

Budget impacts in future biennia:

Costs associated with the caseload in future biennia will be determined by future caseload projections.

Distinction between one-time and ongoing costs:

All costs are ongoing.

Effects of non-funding:

N/A

Expenditure Calculations and Assumptions:

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

See attached spreadsheet ESA M1-93 Mandatory Caseload Adjustments.xls.

Object Detail

FY 1

FY 2

Total

Overall Funding

N Grants, Benefits & Client Services

0

(998,000)

(998,000)

DSHS Source Code Detail

Overall Funding

FY 1

FY 2

Total

Fund 001-1, General Fund - Basic Account-State

Sources Title

0011 General Fund State

0

(928,000)

(928,000)

Total for Fund 001-1

0

(928,000)

(928,000)

Fund 001-2, General Fund - Basic Account-Federal

Sources Title

566B Refugee & Entrant Assist-St Admin'd Prog(D)(100%)

0

(22,000)

(22,000)

Total for Fund 001-2

0

(22,000)

(22,000)

Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi

Sources Title

563A Title IV-D Child Support Enforcement (A) (FMAP)

0

(48,000)

(48,000)

Total for Fund 001-A

0

(48,000)

(48,000)

Total Overall Funding

0

(998,000)

(998,000)

2007 Supplemental M1-93 Mandatory Caseload Adjustments

		<u>FY07</u>
J90-1000 REFUGEE CASH ASSISTANCE		
Current Allotment		1,585,000
June 2006 Forecast		<u>1,563,000</u>
	(566B)	<u>(22,000)</u>
X15-1000 GA-U		
Current Allotment		78,303,328
June 2006 Forecast		<u>77,383,000</u>
	ML Step 001-1	<u>(920,328)</u>
X30-1000 CHILD SUPPORT RECOVERIES		
Current Allotment		(75,097,000)
June 2006 Forecast		<u>(75,194,000)</u>
	ML Step	<u>(97,000)</u>
	001-1	(49,000)
	001-A (563A)	(48,000)
X31-1000 FOOD ASSISTANCE PROGRAM		
Current Allotment		4,547,000
June 2006 Forecast		<u>4,588,000</u>
	ML Step 001-1	<u>41,000</u>
TOTAL ML ADJUSTMENT		<u>(998,328)</u>
General Fund - State 001-1		(928,328)
001-2 (566B) Refugee (100%)		(22,000)
001-A (563A) Title IV-D Child Support Enforcement		<u>(48,000)</u>
		<u>(998,328)</u>

Department of Social and Health Services

DP Code/Title: M1-IN Mandatory Targeted Workload Adj
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$1,078,000 and 16.5 FTEs to align staffing levels in the Economic Services Administration (ESA) Community Services Offices (CSO) and Division of Child Support (DCS) field offices with caseload growth.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	618,000	618,000
001-2 General Fund - Basic Account-Federal	0	30,000	30,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	0	351,000	351,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	79,000	79,000
Total Cost	0	1,078,000	1,078,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.0	16.5	8.3

Package Description:

The Department of Social and Health Services (DSHS) requests \$1,078,000 and 16.5 FTEs to align staffing levels in the Economic Services Administration (ESA) Community Services Offices (CSO) and Division of Child Support (DCS) field offices with caseload growth.

CSO Workload:

The number of applicants and recipients for the General Assistance (GA) and Food Assistance programs within ESA are projected to continue growing in State Fiscal Year (SFY) 2007. This decision package addresses the projected workload need associated with determining eligibility (estimated number of applications) and performing case management for the increased caseloads. For purposes of this decision package, the DSHS Budget Offices assumes the following times it takes to perform a specific function: 1) Determine Food Assistance eligibility - 15 minutes per case; 2) General Assistance application eligibility - 180 Minutes per case; and 3) General Assistance annual reviews - 60 minutes. This package requests 8.2 FTEs and \$547,000 for SFY 2007 in order to meet the anticipated workload increases to the CSO's.

DCS Workload:

The total IV-D caseload within DCS is projected to continue growing in SFY 2007. This decision package addresses the projected workload need associated with working these cases. The Budget Office estimates that the time it takes to work a IV-D case is 60 minutes. This package requests 8.3 FTEs and \$531,000 for SFY 2007 in order to meet the anticipated workload increases to DCS.

Narrative Justification and Impact Statement

How contributes to strategic plan:

E. Increase Employment and Self-Sufficiency

1. Quickly connect individuals and families to the cash, medical, work-focused, and other benefits and services they need.
2. Enhance economic security of children through child support enforcement efforts.

Department of Social and Health Services

DP Code/Title: M1-IN Mandatory Targeted Workload Adj
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Performance Measure Detail

Agency Level

Reason for change:

ESA's CSO and DCS offices have managed mandated FTE reductions through streamlining and process efficiency initiatives that have allowed these staff to perform their duties more quickly and efficiently. Those initiatives have been completed and ESA assumes that the efficiencies to be gained from them have been obtained. ESA/DCS further assumes that the SFY 2006 staffing levels for these offices will become the baseline for workload, meaning that any further caseload increases would require additional staff to process cases efficiently and adequately.

Impact on clients and services:

Allowing ESA/DCS to hire staff to meet the increasing demand on services would ensure clients receive prompt and appropriate services as required by federal and state law.

Impact on other state programs:

None.

Relationship to capital budget:

None.

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

ESA has streamlined processes and made efficiencies where possible. ESA has reached the point that the only alternative available would be to require staff to absorb the increasing caseload or see services to clients diminish and error rates climb.

Budget impacts in future biennia:

All costs, except one time equipment costs would carry forward into future biennia.

Distinction between one-time and ongoing costs:

All costs, except one time only equipment purchases, would be ongoing.

Effects of non-funding:

If not funded, ESA would be required to absorb an increasing caseload which may cause delays and/or errors in processing.

Expenditure Calculations and Assumptions:

ESA M1-94 Mandatory Targeted Workload Adjustments.xls.

Department of Social and Health Services

DP Code/Title: M1-IN Mandatory Targeted Workload Adj
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

<u>Object Detail</u>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding				
A	Salaries And Wages	0	612,000	612,000
B	Employee Benefits	0	228,000	228,000
E	Goods And Services	0	192,000	192,000
J	Capital Outlays	0	31,000	31,000
T	Intra-Agency Reimbursements	0	15,000	15,000
Total Objects		0	1,078,000	1,078,000
 <u>DSHS Source Code Detail</u>				
Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	618,000	618,000
Total for Fund 001-1		0	618,000	618,000
 Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
E61L	Food Stamp Program (50%)	0	30,000	30,000
Total for Fund 001-2		0	30,000	30,000
 Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
563I	Title IV-D Child Support Enforcement (A) (66%)	0	351,000	351,000
Total for Fund 001-A		0	351,000	351,000
 Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	0	79,000	79,000
Total for Fund 001-C		0	79,000	79,000
Total Overall Funding		0	1,078,000	1,078,000

2007 Supplemental

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DSHS Budget Division
Dan Winkley

Department of Social and Health Services

DP Code/Title: M2-8F Fuel Rate Adjustment
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$244,000 in State Fiscal Year 2007 for increased fuel costs.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	2,000	2,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	0	2,000	2,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	1,000	1,000
Total Cost	0	5,000	5,000

Staffing

Package Description:

DSHS is requesting \$244,000 in funding required to cover costs associated with the rising price of fuel. The estimate is based on the Department of Transportation (DOT) June 2006 forecast. DSHS received funds for these increased costs of doing business in State Fiscal Year 2006. No funds were provided in State Fiscal Year 2007.

DSHS provides supports and services to clients throughout the state using state owned vehicles.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Funding this request will enable the department to continue to have access to clients and the supports, which are critical in meeting client needs.

Performance Measure Detail

Agency Level

Reason for change:

Fuel costs have significantly increased and DSHS requires additional funding.

Impact on clients and services:

DSHS will continue to maintain the current level of supports and services associated with meeting client needs.

Impact on other state programs:

None

Relationship to capital budget:

Not applicable

Department of Social and Health Services

DP Code/Title: M2-8F Fuel Rate Adjustment
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Required changes to existing RCW, WAC, contract, or plan:

Not applicable

Alternatives explored by agency:

DSHS requires funding for rising fuel prices and cannot absorb this cost of providing services to clients.

Budget impacts in future biennia:

DOT fuel forecast will determine funding needed in future biennia.

Distinction between one-time and ongoing costs:

DOT fuel forecast will determine funding needed in future biennia.

Effects of non-funding:

Programs and services will be cut in order to stay within budgeted limits.

Expenditure Calculations and Assumptions:

See attachment AW M2-8F Fuel Rate Adjustment.xls

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	0	5,000	5,000
DSHS Source Code Detail			
Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	2,000	2,000
<i>Total for Fund 001-1</i>	<u>0</u>	<u>2,000</u>	<u>2,000</u>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
563I Title IV-D Child Support Enforcement (A) (66%)	0	2,000	2,000
<i>Total for Fund 001-A</i>	<u>0</u>	<u>2,000</u>	<u>2,000</u>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	0	1,000	1,000
<i>Total for Fund 001-C</i>	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Total Overall Funding	<u>0</u>	<u>5,000</u>	<u>5,000</u>

2007 Supplement Budget Request
M2-8F Fuel Rate Adjustments

Rounded =Round(link,-3)

Program	Year			ISSD - TZ			Total		
	2006	2007	Total	2006	2007	Total	2006	2007	Total
010		29,000	29,000					29,000	29,000
020		53,000	53,000					53,000	53,000
030		144,000	144,000		1,000	1,000		145,000	145,000
040		(1,000)	(1,000)					(1,000)	(1,000)
050		0	0					0	0
060		5,000	5,000					5,000	5,000
070		0	0					0	0
080		0	0					0	0
100		10,000	10,000					10,000	10,000
110		3,000	3,000					3,000	3,000
150		1,000	1,000		(1,000)	(1,000)		0	0
Total	0	244,000	244,000	0	0	0	0	244,000	244,000

State/Other Split

Program	State			Other			Total		
	2006	2007	Total	2006	2007	Total	2006	2007	Total
010		20,000	20,000		9,000	9,000		29,000	29,000
020		52,000	52,000		1,000	1,000		53,000	53,000
030		115,000	115,000		30,000	30,000		145,000	145,000
040		(1,000)	(1,000)		0	0		(1,000)	(1,000)
050		0	0		0	0		0	0
060		2,000	2,000		3,000	3,000		5,000	5,000
070		0	0		0	0		0	0
080		0	0		0	0		0	0
100		10,000	10,000		0	0		10,000	10,000
110		2,000	2,000		1,000	1,000		3,000	3,000
150		0	0		0	0		0	0
Total	0	200,000	200,000	0	44,000	44,000	0	244,000	244,000

**2007-09 Biennial Budget
ML-8F Fuel Rate Adjustment**

<u>Program</u>	<u>SFY 2005 Total Expend</u>	<u>SFY 2006 Funding</u>	<u>SFY 2007 Funding</u>	<u>SFY 2006 Total Expend</u>	<u>Gallons Used*</u>	<u>Projected Expenditures SFY 07 @ 2.72</u>	<u>SFY 2007 Request</u>
010	87,654	24,000	-	114,408	43,173	117,000	29,000
020	212,081	43,000	-	258,270	97,461	265,000	53,000
030	81,446	23,000	-	218,923	82,612	225,000	144,000
040	51,596	14,000	-	49,677	18,746	51,000	(1,000)
050	1,358	-	-	1,278	482	1,000	-
060	19,549	5,000	-	24,678	9,312	25,000	5,000
080	181	-	-	149	56	-	-
100	42,279	12,000	-	50,858	19,192	52,000	10,000
110	19,093	5,000	-	21,639	8,166	22,000	3,000
150	1,061	-	-	1,725	651	2,000	1,000
Total	516,300	126,000	-	741,604	279,851	760,000	244,000

13 *DOT Average Price per gallon equals \$2.65.

Department of Transportation (DOT) June 2006 Forecast Average price per gallon for SFY 2007 - \$ 2.72

DSHS Budget Office
Dan Winkley

AW M2-8F Fuel Rate Adjustment.xls
10/11/2006 3:00 PM

Department of Social and Health Services

DP Code/Title: M2-8M Mileage Rate Adjustments
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$686,000 in State Fiscal Year 2007 to fund the allowable reimbursement rate for automobile mileage of \$.445 per mile.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	43,000	43,000
001-2 General Fund - Basic Account-Federal	0	20,000	20,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	0	6,000	6,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	22,000	22,000
Total Cost	0	91,000	91,000

Staffing

Package Description:

DSHS requests \$686,000 in State Fiscal Year 2007 to fund the allowable reimbursement rate for automobile mileage of \$.445 per mile. Current state travel regulations allow a reimbursement rate for the use of privately owned vehicles when traveling on official state business (Social Worker duties, regional meetings, conferences, etc). DSHS is currently funded at the rate of \$.375 per mile set in the 2003-05 Biennium. DSHS is requesting the difference between the funded level of \$.375 per mile and the reimburseable level of \$.445 per mile. DSHS received funds for these increased costs of doing business in State Fiscal Year 2006. No funds were provided in State Fiscal Year 2007.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This request meets the agency goal of developing services that meet geographic, cultural, tribal and individual needs.

Performance Measure Detail

Agency Level

Reason for change:

DSHS is not funded at the current allowable mileage reimbursement rate of \$.445 per mile.

Impact on clients and services:

Travel is a critical part of duties that are required of the department. Funding this request will allow DSHS to maintain current levels of service.

Impact on other state programs:

None

Relationship to capital budget:

Department of Social and Health Services

DP Code/Title: M2-8M Mileage Rate Adjustments

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Not applicable

Required changes to existing RCW, WAC, contract, or plan:

Not applicable

Alternatives explored by agency:

None

Budget impacts in future biennia:

These costs will carry forward into future biennia.

Distinction between one-time and ongoing costs:

All costs are ongoing.

Effects of non-funding:

DSHS will not be able to absorb this cost increase without an offsetting reduction in program areas that are not fixed costs.

Expenditure Calculations and Assumptions:

Please see attachment AW M2-8M Mileage Rate Adjustments.xls

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
G Travel	0	91,000	91,000

Department of Social and Health Services

DP Code/Title: **M2-8M Mileage Rate Adjustments**

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	43,000	43,000
<i>Total for Fund 001-1</i>		<u>0</u>	<u>43,000</u>	<u>43,000</u>
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
E61L	Food Stamp Program (50%)	0	20,000	20,000
<i>Total for Fund 001-2</i>		<u>0</u>	<u>20,000</u>	<u>20,000</u>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
563I	Title IV-D Child Support Enforcement (A) (66%)	0	6,000	6,000
<i>Total for Fund 001-A</i>		<u>0</u>	<u>6,000</u>	<u>6,000</u>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	0	22,000	22,000
<i>Total for Fund 001-C</i>		<u>0</u>	<u>22,000</u>	<u>22,000</u>
Total Overall Funding		<u>0</u>	<u>91,000</u>	<u>91,000</u>

**2007 Supplemental Request
ML-8M Mileage Rate Adjustment**

Rounded =Round(link,-3)

Program	Year				ISSD - TZ				Total		
	2006	2007	Total		2006	2007	Total		2006	2007	Total
010		304,000	304,000							304,000	304,000
020		3,000	3,000							3,000	3,000
030		24,000	24,000							24,000	24,000
040		76,000	76,000							76,000	76,000
050		124,000	124,000							124,000	124,000
060		91,000	91,000							91,000	91,000
070		11,000	11,000							11,000	11,000
080		9,000	9,000							9,000	9,000
100		10,000	10,000							10,000	10,000
110		34,000	34,000							34,000	34,000
150		0	0							0	0
Total	0	686,000	686,000		0	0	0		0	686,000	686,000

State/Other Split

Program	State				Other				Total		
	2006	2007	Total		2006	2007	Total		2006	2007	Total
010		213,000	213,000			91,000	91,000			304,000	304,000
020		3,000	3,000			0	0			3,000	3,000
030		20,000	20,000			4,000	4,000			24,000	24,000
040		46,000	46,000			30,000	30,000			76,000	76,000
050		65,000	65,000			59,000	59,000			124,000	124,000
060		43,000	43,000			48,000	48,000			91,000	91,000
070		5,000	5,000			6,000	6,000			11,000	11,000
080		2,000	2,000			7,000	7,000			9,000	9,000
100		10,000	10,000			0	0			10,000	10,000
110		22,000	22,000			12,000	12,000			34,000	34,000
150		0	0			0	0			0	0
Total	0	429,000	429,000		0	257,000	257,000		0	686,000	686,000

2007 Supplemental Request M2-8M Mileage Rate Adjustment

Program	SFY 2006 Actuals	Estimated Allotment SFY 2007	Projection	SFY 2007 Request
010 - Children's Administration	1,922,558	1,625,558	1,930,000	304,000
020 - Juvenile Rehabilitation Admin	17,279	14,279	17,000	3,000
030 - Mental Health	132,936	129,936	154,000	24,000
040 - Div of Developmental Disabilities	487,598	406,598	483,000	76,000
050 - Long Term Care Services	868,929	663,929	788,000	124,000
060 - Economic Services Admin	578,568	487,568	579,000	91,000
070 - Div of Alc/Substance Abuse	72,346	56,346	67,000	11,000
080 - Medical Assistance	49,824	49,824	59,000	9,000
100 - Vocational Rehabilitation	61,959	51,959	62,000	10,000
110 - Admin & Supporting Svcs	213,424	180,424	214,000	34,000
150 - Info SYS Svcs Div	3,697	3,697	4,000	0
	4,409,119	3,670,119	4,357,000	686,000

Increase from .375 to .445
18.7%

DSHS Budget Office
Dan Winkley

AW M2-8M Mileage Rate Adjustment.xls
10/11/2006 3:00 PM

Department of Social and Health Services

DP Code/Title: M2-8P Postage Rate Adjustments

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

Postage rates have increased by 5.4 percent due to a United States Postal Services (USPS) rate increase for first-class mail. The Department of Social and Health Services (DSHS) is requesting \$466,000 for Fiscal Year 2007 for the increase in first-class postage from \$.37 to \$.39.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	194,000	194,000
001-2 General Fund - Basic Account-Federal	0	44,000	44,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	0	54,000	54,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	48,000	48,000
Total Cost	0	340,000	340,000

Staffing

Package Description:

Effective January 8, 2006 the USPS increased the rate for first-class mail to \$.39 from the former rate of \$.37. This request is for \$466,000 to fund a 5.4 percent increase in first-class postage rate.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Contributes to the agency goal reinforce strong management to increase public trust.

Performance Measure Detail

Agency Level

Reason for change:

This request is in response to the USPS first-class postage rate increase that went into effect January 8, 2006.

Impact on clients and services:

Communication between clients and programs is a routine and essential part of doing business. Clients expect written responses to their inquiries and concerns. Other areas impacted by the postage rate increase are payments to clients and notices to clients required by law.

Impact on other state programs:

All state programs are impacted by a USPS increase.

Relationship to capital budget:

Not applicable

Department of Social and Health Services

DP Code/Title: M2-8P Postage Rate Adjustments

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Required changes to existing RCW, WAC, contract, or plan:

Not applicable

Alternatives explored by agency:

The USPS mail service is considered accessible to all clients and is an efficient means of communication. Other forms of communication or remittance of payments such as electronic banking and e-mail are not accessible to the majority of the department's clients or may require revisions to state laws.

Budget impacts in future biennia:

This is an increase that will carry forward into future biennia. The USPS is considering an additional rate increase in 2007 to \$.42.

Distinction between one-time and ongoing costs:

This item is an ongoing operational cost. There are no one-time cost associated with this request.

Effects of non-funding:

Non-funding may have negative results to the agency's ability to communicate with clients and remain responsive to constituent needs. If not approved, funds will have to be diverted from programs or services to cover the increased costs.

Expenditure Calculations and Assumptions:

Actual Object EB cost for Fiscal Year 2005 are used as the base for calculating the Fiscal Year 2007 increase.

See attachment AW M2-8P Postage Rate Adjustment

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	0	340,000	340,000

Department of Social and Health Services

DP Code/Title: M2-8P Postage Rate Adjustments

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	194,000	194,000
<i>Total for Fund 001-1</i>		<u>0</u>	<u>194,000</u>	<u>194,000</u>
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
E61L	Food Stamp Program (50%)	0	44,000	44,000
<i>Total for Fund 001-2</i>		<u>0</u>	<u>44,000</u>	<u>44,000</u>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
563I	Title IV-D Child Support Enforcement (A) (66%)	0	54,000	54,000
<i>Total for Fund 001-A</i>		<u>0</u>	<u>54,000</u>	<u>54,000</u>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	0	48,000	48,000
<i>Total for Fund 001-C</i>		<u>0</u>	<u>48,000</u>	<u>48,000</u>
Total Overall Funding		<u>0</u>	<u>340,000</u>	<u>340,000</u>

**2007 Supplemental Budget Request
M2-8P Postage Rate Adjustment**

**Department of Social & Health Services
2007 Supplemental Agency Request - 8P Postage Rate Adjustment**

Rounded =Round(link,-3)

Program	Year				ISSD - TZ				Total		
	2006	2007	Total		2006	2007	Total		2006	2007	Total
010		29,000	29,000				0		29,000		29,000
020		2,000	2,000				0		2,000		2,000
030		1,000	1,000				0		1,000		1,000
030 SCC		1,000	1,000				0		1,000		1,000
040		11,000	11,000				0		11,000		11,000
050		23,000	23,000				0		23,000		23,000
060		340,000	340,000				0		340,000		340,000
070		4,000	4,000				0		4,000		4,000
080		37,000	37,000				0		37,000		37,000
100		5,000	5,000				0		5,000		5,000
110		13,000	13,000				0		13,000		13,000
150		0	0				0		0		0
Total	0	466,000	466,000		0	0	0		0	466,000	466,000

State/Other Split

Program	State				Other				Total		
	2006	2007	Total		2006	2007	Total		2006	2007	Total
010		14,000	14,000			15,000	15,000		29,000		29,000
020		2,000	2,000			0	0		2,000		2,000
030		1,000	1,000			0	0		1,000		1,000
030 SCC		1,000	1,000			0	0		1,000		1,000
040		5,000	5,000			6,000	6,000		11,000		11,000
050		11,000	11,000			12,000	12,000		23,000		23,000
060		194,000	194,000			146,000	146,000		340,000		340,000
070		2,000	2,000			2,000	2,000		4,000		4,000
080		20,000	20,000			17,000	17,000		37,000		37,000
100		5,000	5,000			0	0		5,000		5,000
110		9,000	9,000			4,000	4,000		13,000		13,000
150		0	0			0	0		0		0
Total		264,000	264,000		0	202,000	202,000		0	466,000	466,000

Department of Social and Health Services

DP Code/Title: M2-9F Federal Funding Adjustment
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests an adjustment/redistribution to the current Federal Appropriation authority for the agency by program for State Fiscal Year 2007.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-D General Fund - Basic Account-TANF (DSHS)	0	(19,981,000)	(19,981,000)
Total Cost	0	(19,981,000)	(19,981,000)

Staffing

Package Description:

DSHS requests an adjustment/redistribution to the current Federal Authority across various programs for SFY 2007.

Across the Department there is considerable disparity between the amount of federal funding that particular programs can earn and the amount of federal funds appropriated. This request is to reduce this disparity. The result would be a significant (\$19,981,000) reduction to Economic Services Administration's federal appropriation and smaller increases to the federal appropriations in the following programs - Children's Administration, Juvenile Rehabilitation Administration, Mental Health Division, Division of Developmental Disabilities, Division of Long Term Care, Division of Alcohol and Substance Abuse, and Payments to Other Agencies.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This proposal supports the following DSHS Strategic Goal and Objective:

Strategic Goal: Reinforce Strong Management to Increase Public Trust

Strategic Objective: Improve financial planning and oversight.

Performance Measure Detail

Agency Level

Reason for change:

This change is requested to better align federal appropriation authority for DSHS Programs with the ability of those Programs to earn federal funds.

Impact on clients and services:

There will be no impact on clients or services provided by DSHS.

Impact on other state programs:

None

Department of Social and Health Services

DP Code/Title: M2-9F Federal Funding Adjustment

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

None

Budget impacts in future biennia:

There is no impact in future biennia.

Distinction between one-time and ongoing costs:

Not Applicable.

Effects of non-funding:

If a program overspends its SFY 2007 Federal Appropriation, those expenditures need to be moved to General-Fund State.

Expenditure Calculations and Assumptions:

Please see attached AW M2-9F Federal Funding Adjustment.xls.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
N Grants, Benefits & Client Services	0	(19,981,000)	(19,981,000)

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-D, General Fund - Basic Account-TANF (DSHS)			
<u>Sources Title</u>			
558B Temp Assist for Needy Families (TANF) (100%)	0	(19,981,000)	(19,981,000)
Total for Fund 001-D	0	(19,981,000)	(19,981,000)
Total Overall Funding	0	(19,981,000)	(19,981,000)

2007 Supplemental Budget Request

RPT DATE	PRGM	FUND	APPN	TYPE	TYPE TITLE	BALANCE	PRGM TITLE	APPN TITLE
GENERAL FUND FEDERAL								
9/19/2006 20:18 010	001	TA1	2	Federal	(3,150,187.99)	Children's Administration	Children & Family Svs: Gf-Federal-Fy1	
9/19/2006 20:18 020	001	TX1	2	Federal	(850,719.17)	Juvenile Rehabilitation Administration	Jr Community Services: Gf-Federal-Fy1	
9/19/2006 20:18 030	001	UB1	2	Federal	(597,878.81)	Mental Health Division	MH Institutional: Gf-Federal-Fy1	
9/19/2006 20:18 030	001	UF1	2	Federal	(600,543.75)	Mental Health Division	MH Program Support: Gf-Federal-Fy1	
9/19/2006 20:18 040	001	UM1	2	Federal	(3,984,419.68)	Division of Developmental Disabilities	DD Community: Gf-Federal-Fy1	
9/19/2006 20:18 040	001	UN1	2	Federal	(4,476,231.87)	Division of Developmental Disabilities	DD-Institutional:Gf-Federal-Fy1	
9/19/2006 20:18 040	001	UP1	2	Federal	(472,434.04)	Division of Developmental Disabilities	DD-Program Support: Gf-Federal-Fy1	
9/19/2006 20:18 050	001	VA1	2	Federal	(216,562.28)	Division of Long-Term Care	Aging Adult Svs: Gf-Federal-Fy1	
9/19/2006 20:18 070	001	WA1	2	Federal	(3,697,069.25)	Division of Alcohol and Substance Abuse	Alcohol/Substance Abuse:Gf-Fed-Fy1	
9/19/2006 20:18 145	001	YM1	2	Federal	(1,935,420.98)	Payments to Other Agencies	Payments to Other Agencies:Gf-Fed-Fy1	
010	001	TA2	2		(3,150,000)	Children's Administration		
020	001	TX2	2		(851,000)	Juvenile Rehabilitation Administration		
030	001	UB2	2		(598,000)	Mental Health Division		
030	001	UF2	2		(601,000)	Mental Health Division		
040	001	UM2	2		(3,984,000)	Division of Developmental Disabilities		
040	001	UN2	2		(4,476,000)	Division of Developmental Disabilities		
040	001	UP2	2		(472,000)	Division of Developmental Disabilities		
050	001	VA2	2		(217,000)	Division of Long-Term Care		
070	001	WA2	2		(3,697,000)	Division of Alcohol and Substance Abuse		
145	001	YM2	2		(1,935,000)	Payments to Other Agencies		
					(19,981,000)	Subtotal		
060	001	FN2			19,981,000	Adjustment		
						- Balance		

DSHS Budget Office
Dan Winkley

AW M2-9F Federal Funding Adjustment.xls
10/12/2006 2:14 PM

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) is requesting transfers between programs that net to zero for the agency in Fiscal Year (FY) 2007.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	(250,000)	(250,000)
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	(12,000)	(12,000)
489-1 Pension Funding Stabilization Acct-State	0	31,000	31,000
Total Cost	0	(231,000)	(231,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.0	(1.0)	(0.5)

Package Description:

DSHS is requesting internal transfers among several program budgets resulting in a net zero funding change for the department. In order to align program appropriations with planned expenditures in FY2007, adjustments are required in the following areas:

DSHS management has redistributed a reduction of 5.4 FTEs and \$298,000 in FY2007 due to the Middle Management Reduction for Mental Health Division (MHD) headquarters to other DSHS programs. This action is in response to new MHD mandates to develop more efficient and effective methods for serving persons with mental illness that have increased oversight and accountability demands on MHD headquarters staff.

DSHS management has redistributed (\$5,701,000) of the SmartBuy reduction in FY2007 from the Administrative & Supporting Services program to Children's Administration (CA), Juvenile Rehabilitation Administration (JRA), MHD, Division of Developmental Disabilities (DDD), Long Term Care (LTC), Economic Services Administration (ESA), Division of Alcohol and Substance Abuse (DASA), Medical Assistance Administration (MAA), Division of Vocational Rehabilitation (DVR), and Information Systems Services Division (ISSD) to align funding reductions across the agency.

DDD is transferring \$1,300,000 GF-S in FY2007 to ESA to support the ability of the Department in meeting the Social Security Income State Supplemental Payment (SSI/SSP) Maintenance of Effort (MOE). DDD has reached the eligible capacity of expenditures within the program. This transfer reflects the unused allotment within DDD provided in the 2005-07 Biennium, and supports the department requirement to meet an MOE level of spending each calendar year to ensure continued Medicaid funding.

DSHS management has redistributed \$68,000 of the ISSD Pension Plan 1 dollars in FY2007 from the Administrative & Supporting Services program to CA, JRA, MHD, DDD, LTC, ESA, MAA, and DVR to align funding across the agency.

Transfer of the Central Services funding of \$2,171,000 in FY2007 from the Administrative and Support Services program to Payments to Other Agencies.

Administration and Support Services is requesting an internal program transfer to reorganize the central risk management functions under the newly created Chief Risk Officer. This transfer is 2.0 FTEs and \$125,000 per year between budget units in Program 110.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Narrative Justification and Impact Statement

How contributes to strategic plan:

Improve the ability of state government to achieve results efficiently and effectively.

Performance Measure Detail

Agency Level

Reason for change:

Changes to FY2007 will align budgets with planned expenditures.

Impact on clients and services:

None

Impact on other state programs:

None

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

None

Budget impacts in future biennia:

All costs are ongoing.

Distinction between one-time and ongoing costs:

No one-time costs.

Effects of non-funding:

DSHS will continue to spend differently than appropriated in the affected programs.

Expenditure Calculations and Assumptions:

See attachment 'AW M2-9T Transfers.xls'.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

<u>Object Detail</u>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding				
A	Salaries And Wages	0	(39,000)	(39,000)
B	Employee Benefits	0	(13,000)	(13,000)
E	Goods And Services	0	(1,283,000)	(1,283,000)
N	Grants, Benefits & Client Services	0	1,300,000	1,300,000
T	Intra-Agency Reimbursements	0	(196,000)	(196,000)
Total Objects		0	(231,000)	(231,000)
<u>DSHS Source Code Detail</u>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding				
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	(250,000)	(250,000)
<i>Total for Fund 001-1</i>		0	(250,000)	(250,000)
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	0	(12,000)	(12,000)
<i>Total for Fund 001-C</i>		0	(12,000)	(12,000)
Fund 489-1, Pension Funding Stabilization Acct-State				
<u>Sources</u>	<u>Title</u>			
4891	Pension Funding Stabilization Acct	0	31,000	31,000
<i>Total for Fund 489-1</i>		0	31,000	31,000
Total Overall Funding		0	(231,000)	(231,000)

**2007 Supplemental
M2-9T Transfers**

AW M2-9T Transfers

	Program	FTEs	FY2007 FUNDS			
		FY07	State	489-1	Other	Total
010	Middle Management Reduction from MHD	(0.6)	(19,000)		(14,000)	(33,000)
	SmartBuy		(755,000)			(755,000)
	ISSD Pension Rate Redistribution			12,000	2,000	14,000
	010 Total	(0.6)	(774,000)	12,000	(12,000)	(774,000)
020	Middle Management Reduction from MHD	(0.3)	(10,000)		(7,000)	(17,000)
	SmartBuy		(467,000)			(467,000)
	ISSD Pension Rate Redistribution			2,000	0	2,000
	020 Total	(0.3)	(477,000)	2,000	(7,000)	(482,000)
030	Middle Management Reduction from MHD	5.4	176,000		122,000	298,000
	SmartBuy		(1,037,000)			(1,037,000)
	ISSD Pension Rate Redistribution			2,000	0	2,000
	030 Total	5.4	(861,000)	2,000	122,000	(737,000)
040	Middle Management Reduction from MHD	(0.5)	(17,000)		(11,000)	(28,000)
	SSP MOE Transfer		(1,300,000)			(1,300,000)
	SmartBuy		(1,046,000)			(1,046,000)
	ISSD Pension Rate Redistribution			2,000	1,000	3,000
	040 Total	(0.5)	(2,363,000)	2,000	(10,000)	(2,371,000)
050	Middle Management Reduction from MHD	(0.7)	(23,000)		(16,000)	(39,000)
	SmartBuy		(379,000)			(379,000)
	ISSD Pension Rate Redistribution			2,000	2,000	4,000
	050 Total	(0.7)	(402,000)	2,000	(14,000)	(414,000)
060	Middle Management Reduction from MHD	(1.0)	(31,000)		(21,000)	(52,000)
	SSP MOE Transfer		1,300,000			1,300,000
	SmartBuy		(1,519,000)			(1,519,000)
	ISSD Pension Rate Redistribution			31,000	9,000	40,000
	060 Total	(1.0)	(250,000)	31,000	(12,000)	(231,000)
070	Middle Management Reduction from MHD	(0.2)	(6,000)		(5,000)	(11,000)
	SmartBuy		(49,000)	0		(49,000)
	070 Total	(0.2)	(55,000)	0	(5,000)	(60,000)
080	Middle Management Reduction from MHD	(1.0)	(36,000)		(25,000)	(61,000)
	SmartBuy		(370,000)			(370,000)
	ISSD Pension Rate Redistribution			1,000	0	1,000
	080 Total	(1.0)	(406,000)	1,000	(25,000)	(430,000)
100	Middle Management Reduction from MHD	(0.1)	(4,000)		(2,000)	(6,000)
	SmartBuy		(79,000)			(79,000)
	ISSD Pension Rate Redistribution			2,000	0	2,000
	100 Total	(0.1)	(83,000)	2,000	(2,000)	(83,000)
110	Middle Management Reduction from MHD	(1.0)	(30,000)		(21,000)	(51,000)
	Central Services Transfer		(1,498,000)		(673,000)	(2,171,000)
	SmartBuy		5,701,000			5,701,000
	ISSD Pension Rate Redistribution			(54,000)	(14,000)	(68,000)
	110 Total	(1.0)	4,173,000	(54,000)	(708,000)	3,411,000
145	Central Services Transfer	0.0	1,498,000		673,000	2,171,000
	145 Total	0.0	1,498,000	0	673,000	2,171,000
150	SmartBuy	0.0	0	0		0
	150 Total	0.0	0	0	0	0
Agency-Wide:		(0.0)	0	0	0	0
			0		0	0

There are multiple components to ML-9T Transfers:

Middle Management Reduction Redistribution of MHD Category 9000 (010, 020, 030, 040, 050, 060, 070, 080, 100, 110)

SSP MOE Transfer (040, 060)

SmartBuy (110 to 010, 020, 030, 040, 050, 060, 070, 080, 100, 150)

Central Services (110 to 145)

ISSD Pension Rate Plan 1 Redistribution (110 to 010, 020, 030, 040, 050, 060, 080, 100)

Department of Social and Health Services

DP Code/Title: M2-FT Incapacity Exams
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Economic Services Administration (ESA) requests \$568,000 in State Fiscal Year 2007 to maintain the current level of service associated with incapacity exams.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	454,000	454,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	114,000	114,000
Total Cost	0	568,000	568,000

Staffing

Package Description:

ESA requests \$568,000 in State Fiscal Year 2007 to maintain the current level of service associated with incapacity exams. ESA is required to provide the following payments on behalf of clients applying for General Assistance (GA) in order to determine eligibility:

1) Payments to medical service providers to reimburse for the costs of providing medical evidence needed to establish incapacity.

2) Payments to medical service providers for the costs of assessment, evaluation, and records for applicants/recipients to document the disability criteria set by the Social Security Administration.

GA clients are low-income adults who are unemployable based on a medical impairment. These payments are for costs related to general or comprehensive physical evaluations (including laboratory or imaging services needed for diagnosis), psychological evaluations and testing or psychiatric evaluations. Currently, ESA does not have sufficient funding to meet the increased incapacity exam needs.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This proposal assists individuals in minimizing barriers and quickly connecting them to the services and benefits they need to make successful transitions from assistance to economic self-sufficiency.

The proposal directly supports the following DSHS Strategic Goal and Objective:

Strategic Goal: Increase Employment and Self-Sufficiency

Strategic Objective: Quickly connect individuals and families with the cash, medical, work-focused, and other benefits and services they need.

Performance Measure Detail

Agency Level

Department of Social and Health Services

DP Code/Title: M2-FT Incapacity Exams
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Activity: **F068 Other Client Services**
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Reason for change:

This change is requested to support the current level of spending for Incapacity Exams.

Impact on clients and services:

This proposal would allow ESA to ensure program access and continue moving clients from a GF-State funded program to a federally funded Supplemental Security Income (SSI) program. Clients would continue to receive necessary services and eligibility for clients would not be interrupted.

Impact on other state programs:

SSI Facilitation - Initial medical evidence that proves eligibility for GA-U may not provide enough information to indicate or support claims of disability. Without additional medical information, the client's application for SSI is typically denied. The Department has an interest in providing additional evidence to recover GA funds when the SSI applications are approved.

Alcohol and Drug Addiction Treatment and Support Act (ADATSA) - When a client has chronic health issues and is eligible for GF-State funded ADATSA shelter cash assistance, the client is required to file an SSI application. ESA meets the cost of obtaining medical evidence to support the application.

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

There are no alternatives that would provide access to medical evidence at a lower cost. Medical evidence providers would restrict their availability and delivery of evaluation services, making it very difficult to get the objective evidence required by state law or federal regulations.

Budget impacts in future biennia:

The additional funding would carry forward into future biennia.

Distinction between one-time and ongoing costs:

All costs are ongoing.

Effects of non-funding:

Non-funding would require ESA to reduce either the amount of reimbursement provided for the required exams or reduce the number of exams performed. In either case, clients would not receive benefits for which they are eligible due to the state's inability to document the disability.

Expenditure Calculations and Assumptions:

Department of Social and Health Services

DP Code/Title: M2-FT Incapacity Exams
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

See attachment ESA ML-FT Incapacity Exams.xls.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	0	568,000	568,000

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	0	454,000	454,000
<i>Total for Fund 001-1</i>	<u>0</u>	<u>454,000</u>	<u>454,000</u>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa			
<u>Sources</u> <u>Title</u>			
19UL Title XIX Admin (50%)	0	114,000	114,000
<i>Total for Fund 001-C</i>	<u>0</u>	<u>114,000</u>	<u>114,000</u>
Total Overall Funding	<u>0</u>	<u>568,000</u>	<u>568,000</u>

2007 Supplemental M2-FT Increase Incapacity Exams

Fiscal Year	# of Services	Expenditures/ Estimates*	Allotment	Estimated Difference
2001				
2002	45,588	4,430,720		
2003	58,462	4,726,492		
2004	71,069	5,371,689		
2005	80,154	6,515,638		
2006	85,241	7,084,013	6,516,000	568,013
2007*		7,084,013	6,516,000	568,013
2008*		7,084,013	6,516,000	568,013
2009*		7,084,013	6,516,000	568,013
GF-S	340,000			
GF-S T19	114,000	454,000 state		
GF-F T19	114,000	114,000 fed		
	<u>568,000</u>			

Department of Social and Health Services

DP Code/Title: M2-FX SSP MOE Correction

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$1.5 million GF-State to correct the allotment within the Economic Services Administration (ESA) to meet the Supplemental Security Income State Supplemental Payment (SSI/SSP) Maintenance of Effort (MOE) requirement.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	1,544,000	1,544,000
Total Cost	0	1,544,000	1,544,000

Staffing

Package Description:

ESA is requesting funding to ensure that the SSP MOE requirement is met. Funding of \$1,544,000 in State Fiscal Year 2007 is requested to cover the over-expenditure.

DSHS is required to meet a MOE level of spending each calendar year to ensure continued Medicaid funding. Within DSHS, ESA, Children's Administration (CA), and the Division of Developmental Disabilities (DDD) are responsible for the expenditure of the MOE. The amount currently appropriated to DSHS falls short of the MOE requirement.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Performance Measure Detail

Agency Level

Activity: F097 Supplemental Security Income Payments

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Reason for change:

There is insufficient allotment within DSHS to meet the Calendar Year SSP MOE requirement.

Impact on clients and services:

Funding this request ensures the state can continue to receive the federal medicaid funding necessary for many of the Department's most vulnerable clients.

Impact on other state programs:

None

Relationship to capital budget:

Department of Social and Health Services

DP Code/Title: M2-FX SSP MOE Correction
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

A workgroup has been working to explore all options. However, ESA is the only administration whose payments are flexible and consistent enough to allow for changes to client payments that would increase expenditures to a level that would ensure DSHS meets the MOE expenditure level during the calendar year.

Budget impacts in future biennia:

All funds will carry forward to future biennia.

Distinction between one-time and ongoing costs:

All costs are ongoing.

Effects of non-funding:

Under the Social Security Act, a failure to spend the State's federally required SSP MOE will result in the loss of Medicaid funding. Current Medicaid funding is in excess of \$3 billion annually.

Expenditure Calculations and Assumptions:

See attached spreadsheet ML-1N SSP MOE Correction.xls.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
N Grants, Benefits & Client Services	0	1,544,000	1,544,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	0	1,544,000	1,544,000
<i>Total for Fund 001-1</i>	0	1,544,000	1,544,000
Total Overall Funding	0	1,544,000	1,544,000

2007 Supplemental M2-FX SSP MOE Correction

	SFY06 Actuals		SFY07 Allotted		SFY08 Anticipated		SFY09 Anticipated	
	1/06-6/06	7/06-12/06	1/07-6/07	7/07-12/07	1/08-6/08	7/07-12/07	1/08-6/08	
Total		27,680,614		27,680,614		27,680,614		
ESA	13,527,809	13,854,129	13,826,485	13,854,129	13,826,485	13,854,129	13,826,485	
DDD	8,325,470	7,722,000	7,722,000	7,722,000	7,722,000	7,722,000	7,722,000	
CA	3,419,339	4,332,129	4,304,485	4,332,129	4,304,485	4,332,129	4,304,485	
	1,783,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	
	Calendar Year 2006		Calendar Year 2007		Calendar Year 2007		Calendar Year 2007	
	SSP MOE Requirement		SSP MOE Requirement		SSP MOE Requirement		SSP MOE Requirement	
	\$28,925,762		\$28,925,763		\$28,925,763		\$28,925,763	

	SFY07 need	1,543,824	SFY08 need	1,245,149	SFY09 need	1,245,149
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DSHS Allotted Level			
	ESA	DDD	CA
Jul-06	1,287,000	723,877	300,000
Aug-06	1,287,000	723,872	300,000
Sep-06	1,287,000	718,318	300,000
Oct-06	1,287,000	723,872	300,000
Nov-06	1,287,000	718,318	300,000
Dec-06	1,287,000	723,872	300,000
Jan-07	1,287,000	723,872	300,000
Feb-07	1,287,000	707,152	300,000
Mar-07	1,287,000	723,872	300,000
Apr-07	1,287,000	718,318	300,000
May-07	1,287,000	842,872	300,000
Jun-07	1,287,000	588,399	300,000
	15,444,000	8,636,614	3,600,000
			27,680,614

Department of Social and Health Services

DP Code/Title: M2-IQ County Legal Funding
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Economic Services Administration (ESA) Division of Child Support (DCS) requests \$218,000 to support changes in budget methodologies in the County Commissioner contracts within DCS.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	74,000	74,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	0	144,000	144,000
Total Cost	0	218,000	218,000

Staffing

Package Description:

DCS provides paternity and order establishment, order modification, and child support collection services when there is an application or referral for services. The present method of reimbursement for County Commissioners is tracking court and administrative time via manual time sheets. This methodology resulted in an audit finding from The State Auditor's Office and required DCS to create a new methodology. The new method will determine what percentage of the whole court time is Child Support and use that percentage for all costs (court and administrative). This method will more accurately reimburse commissioners for court preparation and time spent on Child Support cases. Their contracts for State Fiscal Year 2007 make the change in methodology effective for the 2007 calendar year.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Goal E. Increase Employment and Self-Sufficiency

Objectives 2. Enhance economic security of children through child support enforcement efforts

Goal J. Improve Internal and External Partnerships.

Goal 1. Improve services outcomes by working with community partners to expand integrated services programs

Performance Measure Detail

Agency Level

Activity: **F010 Child Support Enforcement**

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Reason for change:

The change in methodology for these contracts were necessary due to an audit finding. In addition, the new methodology more accurately reimburses court commissioners for the time spent on child support cases.

Impact on clients and services:

Having dedicated dockets will allow the court commissioners to give more expedited services to DCS cases and improve compliance with federal time lines.

Department of Social and Health Services

DP Code/Title: M2-IQ County Legal Funding
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Impact on other state programs:

None

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

Contracts for the County Commissioners for 2007 calendar year will change due to new methodology.

Alternatives explored by agency:

DCS explored other billing options but found this to be the most accurate method.

Budget impacts in future biennia:

Increased costs associated with the county commissioners contracts will carry forward into future biennia.

Distinction between one-time and ongoing costs:

All costs are ongoing.

Effects of non-funding:

The effects of non-funding would result in less time spent by the county commissioners on child support cases. Any reduction in time spent on these cases will lengthen the time custodial parents will need to wait to receive child support payments or may jeopardize receipt of those payments altogether. For many families, this will cause financial hardships.

Expenditure Calculations and Assumptions:

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	0	218,000	218,000
DSHS Source Code Detail			
Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	0	74,000	74,000
<i>Total for Fund 001-1</i>	<u>0</u>	<u>74,000</u>	<u>74,000</u>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources</u> <u>Title</u>			
563I Title IV-D Child Support Enforcement (A) (66%)	0	144,000	144,000
<i>Total for Fund 001-A</i>	<u>0</u>	<u>144,000</u>	<u>144,000</u>
Total Overall Funding	<u>0</u>	<u>218,000</u>	<u>218,000</u>

2007 Supplemental ESA M2-IQ County Legal Funding

CY 2006 Budget	\$	1,376,237	
1% VRI	\$	1,389,999	
Anticipated increase	\$	13,762	
 CY 2007 Budget	 \$	 1,607,787	
 Actual Increase	 \$	 231,550	
 Difference	 \$	 218,000	
	\$	74,000	State
	\$	144,000	Fed

Department of Social and Health Services

DP Code/Title: M2-PK Network Transition Costs
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$375,000 starting July 1, 2006 to cover the incremental cost increases incurred during Fiscal Year (FY) 2007 by transitioning to the Multi-Protocol Label Switching (MPLS) services network operated by the Department of Information Systems (DIS).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	82,000	82,000
001-2 General Fund - Basic Account-Federal	0	13,000	13,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	0	31,000	31,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	12,000	12,000
Total Cost	0	138,000	138,000

Staffing

Package Description:

This transition increases costs to DSHS by \$375,000 in FY2007.

In partnership with DIS, DSHS is gradually transitioning from the existing DIS-provided network (Data Transport Services, (DTS)) to one that is more robust and flexible MPLS.

The transition by DSHS to the MPLS services network is supportive of DIS' business plan for gradual withdrawal from the DTS network in combination with conversion to MPLS services by all state agencies. To avoid the infrastructure and transport costs of two networks, DIS would like state agencies to move from DTS to MPLS as soon as possible.

Narrative Justification and Impact Statement

How contributes to strategic plan:

The transition to the MPLS services network is consistent with initiatives of the Governor's Office to streamline government through the expanded and more effective use of technology. It supports the department's core business functions by enhancing the capacity and movement of essential information and is also consistent with the Washington State Digital plan.

This network transition supports the goals of the agency's balanced scorecard in that it:

- 1) Allows DSHS program areas to integrate and coordinate new and old information systems.
- 2) Assists DSHS program areas in providing excellent customer service by efficiently providing an effective communications infrastructure.
- 3) Provides high quality services that are easy to access by DSHS employees and service delivery partners who work directly with clients and allows program areas to expand the availability of agency resources.
- 4) Provides a network infrastructure that supports a very diverse set of requirements.

State and federal regulations such as the Health Insurance Portability and Accountability Act (HIPAA) require isolation and protection of confidential and sensitive client information. Transitioning to a MPLS services network provides this isolation by changing the network connections of our remote field offices so that they are logically behind the DSHS firewall even though they are physically connected to the DIS-provided state network and across public telecom providers. All of our

Department of Social and Health Services

DP Code/Title: M2-PK Network Transition Costs
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

network traffic will travel within a virtual (VRF) tunnel that is unique to DSHS and segmented from all other state agencies and other entities.

Performance Measure Detail
Agency Level

Reason for change:

The old DTS network is neither as effective nor efficient in meeting the network requirements as the potential of the new MPLS network. As DIS migrates state agencies, connections on the old DTS network will become more difficult to establish and less responsive and reliable. DTS connections will not be upgraded, and gradually degrading performance will only sporadically be monitored or resolved. Since our network supports the department's key business functions, its performance and reliability are very important. For example, Governor Gregoire has directed the Secretary to make certain that caseworkers respond to reports of child abuse and neglect within twenty-four hours. Network reliability and transmission swiftness are important tools assisting caseworkers in the Children's Administration to meet this important edict.

Without a reliable network, other activities such as determining a client's eligibility for financial or medical assistance, collecting child support, and making correct and timely payments to our contracted providers could be delayed or not successfully completed as required by law, resulting in possible litigation and/or loss of funding.

Impact on clients and services:

Transitioning our Wide Area Network (WAN) to the MPLS services network allows program areas within DSHS to effectively provide service delivery to clients without being markedly impaired by limited network capacity or reliability. Without the transition, clients will experience an increasing frequency of times in which their assigned caseworker is unable to access the client's record, find the information that is needed, or to make the service changes that are needed - all because the communication network used by the Information Technology application is unavailable or unreliable due to network congestion.

A DSHS Vancouver office illustrates one example of improved network response provided by the MPLS migration. We tracked network response times from October 10, 2005 to October 14, 2005 (before the office's conversion) and from December 5, 2005 to December 9, 2005 (after the conversion). The office recognized an average 71% improvement in network response times after the conversion. Some offices may experience greater improvement in network performance while some sites may notice little or no response time difference; however, the transition will benefit all DSHS offices by providing more reliable technology.

Impact on other state programs:

The transition assists all program areas within DSHS to implement business initiatives using a stable, shared network, which is the most cost effective method to deliver these diverse client services. It allows us to support the network with current staffing and does not require additional staffing in the program areas.

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

Department of Social and Health Services

DP Code/Title: M2-PK Network Transition Costs
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

The two available options are to:

- 1) Delay or transition more slowly.
- 2) Implement a gradual transition now.

If we were to continue with the current network infrastructure, we would gradually be unable to meet the agency's business requirements. As DIS migrates state agencies, connections on the DTS network will become more difficult to establish, more heavily congested and less responsive to user needs.

By transitioning now, our current network platform is combined with the newer MPLS technology provided through DIS. This permits us to leverage our investments in network hubs, Asynchronous Transfer Mode, and Ethernet services producing a more cost effective, expandable resource for all program areas across the state. This option allows us to scale the network to fit current demands and allows for cost effective growth as required.

Budget impacts in future biennia:

Ninety-nine percent of our almost 18,000 employees have intranet access and rely on the network to perform at least some aspect of their duties. As our reliance on technology grows, bandwidth requirements continue to increase. The Department of Personnel's Human Resource Management System (HRMS), the Office of Financial Management's Enterprise Reporting System (Fastrack), and Travel Voucher System (TVS) are some of the recent applications that have increased demands on our network. In addition, we have increased network requirements by using it to deploy security patches to the field, back up vital data at remote sites and share imaged client records across the state. By choosing to implement the network transition now, we are able to satisfactorily meet current business needs of the agency while migrating to newer technologies in the most cost effective manner.

This request is for the increased monthly circuit costs and installation charges DSHS will recognize during Fiscal Year 2007 for transitioning to MPLS circuits and other high-speed network transport connections such as Ethernet.

Distinction between one-time and ongoing costs:

In addition to the increased monthly costs, we estimate we will incur \$33,000 for one time installation charges in Fiscal Year 2007.

Effects of non-funding:

Not funding this decision package will affect all program areas, business partners and their clients within DSHS and the state of Washington.

As DTS network performance continues to degrade, our technical staff are required to dedicate more time to perform ineffectual trouble shooting and analysis. Slow response times and application timeouts are becoming increasingly common due to the overload of the DTS network, resulting in poorly performing Information Technology applications. Eventually, DTS network performance will seriously degrade to the point of potentially becoming unusable by program staff during peak periods of the workday. As a result, the delivery of vital client services, such as the safety of vulnerable children and adults will be hindered or delayed.

Due to its current instability, limited capacity and the fact that DIS will eventually dismantle the DTS network; DSHS is forced to move ahead with the transition to the MPLS network. As of June 2006, 57 DSHS sites have already transitioned to the new network and 160 sites remain to be converted. As of the August 2006 DIS invoice, DSHS has been billed for the converted circuit rates and one-time installation fees on 30% of our sites. By the end of Fiscal Year 2007, DSHS will be 100% converted.

During Fiscal Year 2007, we anticipate increased DIS charges of approximately \$375,000 for converted circuits and

Department of Social and Health Services

DP Code/Title: M2-PK Network Transition Costs

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

one-time installation fees. Please see the attached cost analysis (M2-PK Network Transition Costs.xls) for further details and source documentation.

Expenditure Calculations and Assumptions:

Please see attachment AW M2-PK Network Transition Costs.xls.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	0	138,000	138,000
DSHS Source Code Detail			
Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	82,000	82,000
<i>Total for Fund 001-1</i>	<u>0</u>	<u>82,000</u>	<u>82,000</u>
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
566B Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	0	1,000	1,000
E61L Food Stamp Program (50%)	0	12,000	12,000
<i>Total for Fund 001-2</i>	<u>0</u>	<u>13,000</u>	<u>13,000</u>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
563I Title IV-D Child Support Enforcement (A) (66%)	0	31,000	31,000
<i>Total for Fund 001-A</i>	<u>0</u>	<u>31,000</u>	<u>31,000</u>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	0	12,000	12,000
<i>Total for Fund 001-C</i>	<u>0</u>	<u>12,000</u>	<u>12,000</u>
Total Overall Funding	0	138,000	138,000

**2007 Supplemental Request
M2-PK Network Transition Costs**

Worksheet: Summary

Object 'E'

Program	Year				ISSD - TZ				Total		
	2006	2007	Total		2006	2007	Total		2006	2007	Total
010		58,000	58,000			0	0		0	58,000	58,000
020		27,000	27,000			0	0		0	27,000	27,000
030		19,000	19,000			0	0		0	19,000	19,000
040		28,000	28,000			0	0		0	28,000	28,000
050		55,000	55,000			0	0		0	55,000	55,000
060		138,000	138,000			0	0		0	138,000	138,000
070		1,000	1,000			0	0		0	1,000	1,000
080		0	0			0	0		0	0	0
100		36,000	36,000			0	0		0	36,000	36,000
110		13,000	13,000			0	0		0	13,000	13,000
150		0	0			0	0		0	0	0
Total	0	375,000	375,000		0	0	0		0	375,000	375,000

State/Other Split

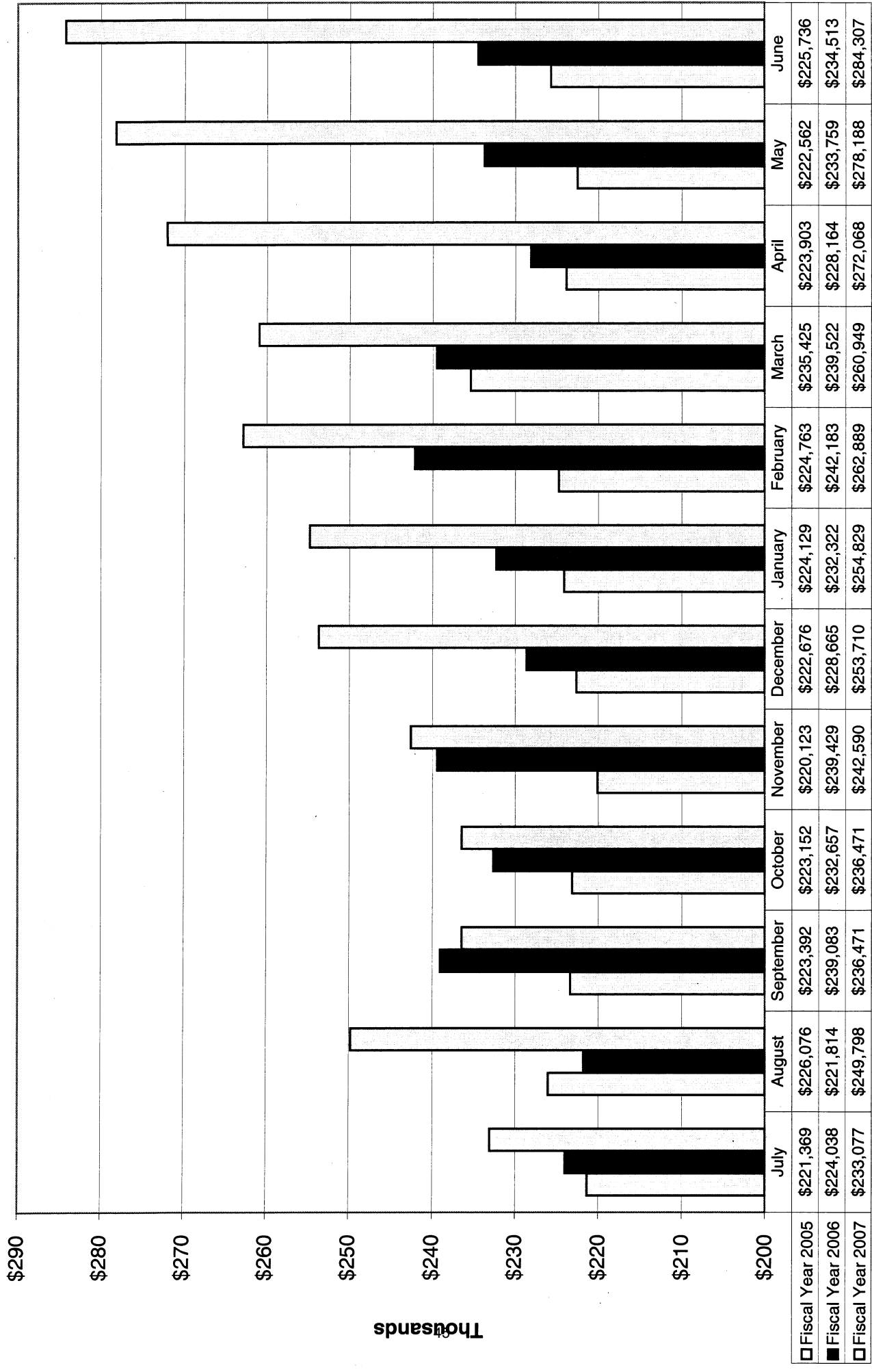
Program	State				Other				Total		
	2006	2007	Total		2006	2007	Total		2006	2007	Total
010		40,000	40,000			18,000	18,000			58,000	58,000
020		27,000	27,000			0	0			27,000	27,000
030		15,000	15,000			4,000	4,000			19,000	19,000
040		17,000	17,000			11,000	11,000			28,000	28,000
050		28,000	28,000			27,000	27,000			55,000	55,000
060		82,000	82,000			56,000	56,000			138,000	138,000
070		1,000	1,000			0	0			1,000	1,000
080		0	0			0	0			0	0
100		36,000	36,000			0	0			36,000	36,000
110		9,000	9,000			4,000	4,000			13,000	13,000
150		0	0			0	0			0	0
Total	0	255,000	255,000		0	120,000	120,000		0	375,000	375,000

**2007 Supplemental Request
M2-PK Network Transition Costs**

Worksheet: Chart

DSHS

Wide Area Network (WAN) Connectivity Cost Comparison



Source: Department of Information Services monthly billing for WAN connectivity - September 2006 through June 2007, estimates

Svc Ofc #	DIS Service Offering	July	August	September *	October *	November *	December *	January *	February *	March *	April *	May *	June *	FY2007 * YTD Invoice
0703	ATS Transport (Fractional)	70,874.00	81,077.02	76,238.58	76,238.58	79,855.31	83,472.03	87,088.76	88,897.12	90,705.49	94,322.21	97,938.94	101,555.67	1,028,263.71
0704	ATS DIS Installation	0.00	7,750.00	0.00	0.00	0.00	5,000.00	0.00	5,000.00	0.00	5,000.00	5,000.00	5,000.00	32,750.00
0777	Dedicated TzPoint to Point C	1,719.12	1,719.12	1,719.12	1,719.12	1,893.86	2,068.60	2,243.34	2,330.71	2,418.08	2,592.82	2,767.56	2,942.30	26,133.75
0784	ATS Serial Router Port	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	8,400.00
0788	Sonet Transport Sr	355.00	355.00	355.00	355.00	355.00	355.00	355.00	355.00	355.00	355.00	355.00	355.00	4,260.00
0792	State Client Internet Access	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	7,500.00
0798	ATS Network Management 56K-128K	14,507.50	14,997.51	14,490.74	14,490.74	14,840.99	15,191.23	15,541.48	15,716.60	15,891.73	16,241.97	16,592.22	16,942.47	185,445.18
0800	Time & Material Repair/Labor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0802	Monthly Equipment Service	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	1,692.00
0807	ATS USW Frame Relay Circuit	94,460.76	92,738.41	92,506.66	92,506.66	92,506.66	92,506.66	92,506.66	92,506.66	92,506.66	92,506.66	92,506.66	92,506.66	1,112,265.77
0822	Monthly Maintenance	29.38	29.38	29.38	29.38	29.38	29.38	29.38	29.38	29.38	29.38	29.38	29.38	352.56
0832	IP Routed NWK	29,052.00	29,052.00	29,052.00	29,052.00	29,621.33	30,190.67	30,760.00	31,044.67	31,329.33	31,898.67	32,468.00	33,037.33	366,558.00
0841	CFN Transport Sr	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	2,880.00
0844	INS Network Management 56K-12	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	900.00
0943	IGN Access	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	86,940.00
1121	INS Ethernet Router Port	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
1123	IGN Ethernet Router Port	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
1138	CFN Network Management 10M	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	900.00
1210	DIS MONTHLY MAINTENANCE (SPAR	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	240.00
1352	DMZ Firewall Port Charge	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	1,596.00
1356	Ethernet Service 10M	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	16,800.00
1357	Fast Ethernet Service 100M	4,629.25	4,629.25	4,629.25	4,629.25	5,239.00	5,848.75	6,458.50	6,763.38	7,068.25	7,678.00	8,287.75	8,897.50	74,758.13
1360	Catalyst 1G Port	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	48,000.00
1373	Advanced Ethernet Service (AE	2,396.00	2,396.00	2,396.00	2,396.00	3,194.67	3,993.33	4,792.00	5,191.33	5,590.67	6,389.33	7,188.00	7,986.67	53,910.00
	Total	233,077.01	249,797.69	236,470.73	236,470.73	242,590.19	253,709.66	254,829.12	262,888.85	260,948.58	272,068.05	278,187.51	284,306.97	3,065,345.10
	Monthly cost variance from monthly average	8,851.33	25,572.01	12,245.05	12,245.05	18,364.51	29,483.98	30,603.44	38,663.17	36,722.90	47,842.37	53,961.83	60,081.29	374,636.94
	* September 2006 through June 2007 estimates								Monthly Average: July 2004 - August 2005->					224,225.68
									Monthly Average: September 2005 - Current ->					246,165.52
										Average Monthly Cost Increase ->				21,939.84

Svc Org #	DIS Service Offering	July	August	September	October	November	December	January	February	March	April	May	June	FY2006 YTD Invoice
0703	ATS Transport (Fractional)	65,909.63	65,388.40	69,886.19	69,367.94	71,108.94	69,666.44	70,719.82	71,958.60	71,008.83	69,821.50	65,915.80	71,599.00	832,351.09
0704	ATS DIS Installation	1,000.00	0.00	2,300.00	700.00	200.00	400.00	1,250.00	200.00	950.00	250.00	700.00	250.00	8,200.00
0777	Dedicated Tz/Point to Point C	1,194.90	1,194.90	1,194.90	1,311.75	1,194.90	1,194.90	1,194.90	1,194.90	1,183.78	860.99	5,723.65	2,550.75	19,685.22
0784	ATS Serial Router Port	850.00	850.00	850.00	850.00	850.00	850.00	850.00	850.00	795.00	700.00	700.00	700.00	9,695.00
0788	Sonet Transport Sr	435.00	435.00	435.00	435.00	435.00	435.00	435.00	435.00	405.67	355.00	355.00	355.00	4,950.67
0792	State Client Internet Access	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	7,500.00
0798	ATS Network Management 56K-128K	13,838.33	13,440.00	16,910.83	14,542.50	14,543.33	14,542.50	14,812.50	14,737.50	12,745.83	14,580.00	15,065.00	14,872.50	174,630.82
0800	Time & Material Repair/Labor											1,163.88	0.00	1,163.88
0802	Monthly Equipment Service	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	141.00	1,692.00
0807	ATS USW Frame Relay Circuit	97,410.97	93,978.11	101,870.65	98,041.62	97,139.06	94,592.98	96,104.34	104,855.68	82,051.89	91,376.35	95,262.57	94,656.70	1,147,340.92
0822	Monthly Maintenance	29.38	29.38	29.38	29.38	29.38	29.38	29.38	29.38	29.38	29.38	29.38	29.38	352.56
0832	IP Routed NWK	28,216.00	27,344.00	28,452.00	27,540.00	27,992.00	27,404.00	27,376.00	28,372.00	28,008.00	28,812.00	27,464.00	28,420.00	335,400.00
0841	CFN Transport Sr	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	240.00	2,880.00
0844	INS Network Management 56K-12	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	900.00
0943	IGN Access	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	7,245.00	86,940.00
1121	INS Ethernet Router Port	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
1123	IGN Ethernet Router Port	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
1138	CFN Network Management 10M	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	900.00
1210	DIS MONTHLY MAINTENANCE (SPAR	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
1352	DMZ Firewall Port Charge	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	1,596.00
1356	Ethernet Service 10M	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	16,800.00
1357	Fast Ethernet Service 100M	2,800.00	2,800.00	2,800.00	2,800.00	2,800.00	2,800.00	2,800.00	2,800.00	2,593.46	4,629.25	4,629.25	4,629.25	61,881.21
1360	Catalyst 1G Port	2,000.00	6,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	48,000.00
1373	Advanced Ethernet Service (AE				2,684.63	8,782.30	2,396.00	2,396.00	2,396.00	2,396.00	2,396.00	2,396.00	2,396.00	28,238.93
	Total	224,038.21	221,813.79	239,082.95	232,656.82	239,428.91	228,665.20	232,321.94	242,183.06	239,521.84	228,164.47	233,758.53	234,512.58	2,796,148.30
	Monthly cost variance from monthly average			14,857.27	8,431.14	15,203.23	4,439.52	8,096.26	17,957.38	15,296.16	3,938.79	9,532.85	10,286.90	108,039.50
									Monthly Average: July 2004 - August 2005->					224,225.68
									Monthly Average: September 2005 - June 2006 ->					235,029.63
										Average Monthly Cost Increase ->				10,803.95

Department of Social and Health Services

DP Code/Title: M2-VN Office Reloc One-Time Costs

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests one-time funding of \$285,000 beginning July 1, 2006 for three forced office moves across the state to cover the estimated relocation costs.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	91,000	91,000
001-2 General Fund - Basic Account-Federal	0	40,000	40,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	43,000	43,000
Total Cost	0	174,000	174,000

Staffing

Package Description:

DSHS is requesting one-time only funding of \$285,000 in Fiscal Year (FY) 2007 to cover relocation costs due to three forced office moves in the following cities - Friday Harbor, Auburn, and Seattle.

In identifying these office locations, DSHS' Children's Administration, Aging and Disabilities Services Administration, and Economic Services Administration, worked closely with DSHS Division of Lands and Buildings to analyze all existing opportunities to maximize client service delivery, relieve client and staff overcrowding, minimize the effect of deteriorating buildings and reduce lease costs long-term. The three office relocations represent the best opportunities for DSHS to achieve these goals in the future and are consistent with the department's Leased Facilities Strategic Plan.

New or relocated offices require several standard modifications involving costs for IT infrastructure, building infrastructure, equipment, moving and construction.

Narrative Justification and Impact Statement

How contributes to strategic plan:

These strategic moves are part of the department's Leased Facilities Strategic Plan, which supports efficient use of budget dollars (one-time versus ongoing costs), efficient use of space, service integration opportunities, improved service delivery through co-location opportunities with other agencies and consolidation opportunities within the agency, and providing a productive workplace for staff. This request contributes to DSHS' strategic planning goals to "value and develop employees" and the objective to "provide the infrastructure, information, and systems to help employees do their jobs." This request will provide DSHS staff with the facilities infrastructure to serve clients in a safe working environment.

Performance Measure Detail

Agency Level

Reason for change:

DSHS is forced to relocate the following three leased facilities:

Auburn Community Services Office was not able to renew this lease.

Department of Social and Health Services

DP Code/Title: M2-VN Office Reloc One-Time Costs

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

The Friday Harbor collocation office building was bought by San Juan County and it would not renew our lease.

The Seattle Division of Developmental Disabilities State Operated Living Alternative (SOLA) office was notified that the landlord intended to occupy the building and would not renew our lease.

Impact on clients and services:

By relocating to new co-located facilities, DSHS will be better able to continue to meet the needs of clients served by multiple DSHS programs.

Impact on other state programs:

Funding may have an impact on other state agencies that may be co-located with DSHS programs.

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

DSHS' Division of Lands and Buildings has explored alternatives with the affected programs. The relocation to newly leased facilities saves DSHS over the term of the lease and improves services to and access for clients.

Budget impacts in future biennia:

None

Distinction between one-time and ongoing costs:

These are one-time only costs to fund three office relocations across the state.

Effects of non-funding:

DSHS would need to examine staff costs and service areas for reductions in order to fund these relocations.

Expenditure Calculations and Assumptions:

See attachment 'AW M2-VN Office Reloc One-time cost.xls.'

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	0	174,000	174,000

Department of Social and Health Services

DP Code/Title: M2-VN Office Reloc One-Time Costs

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	91,000	91,000
<i>Total for Fund 001-1</i>		<u>0</u>	<u>91,000</u>	<u>91,000</u>
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
E61L	Food Stamp Program (50%)	0	40,000	40,000
<i>Total for Fund 001-2</i>		<u>0</u>	<u>40,000</u>	<u>40,000</u>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	0	43,000	43,000
<i>Total for Fund 001-C</i>		<u>0</u>	<u>43,000</u>	<u>43,000</u>
Total Overall Funding		<u>0</u>	<u>174,000</u>	<u>174,000</u>

2007 Supplemental Request M2-VN Office Reloc One-Time Costs

Worksheet: Program Fiscal Impact

Decision Package: DSHS Relocation Costs

Program	FY06			FY07			2005-07 Total		
	State	Other	Total	State	Other	Total	State	Other	Total
010	0	0	0	19,000	8,000	27,000	19,000	8,000	27,000
020	0	0	0	0	0	0	0	0	0
030	0	0	0	0	0	0	0	0	0
SCC	0	0	0	0	0	0	0	0	0
040	0	0	0	43,000	35,000	78,000	43,000	35,000	78,000
050	0	0	0	3,000	3,000	6,000	3,000	3,000	6,000
060 (no DEL)	0	0	0	91,000	83,000	174,000	91,000	83,000	174,000
DEL	0	0	0	0	0	0	0	0	0
060	0	0	0	91,000	83,000	174,000	91,000	83,000	174,000
100	0	0	0	0	0	0	0	0	0
TOTAL:	0	0	0	156,000	129,000	285,000	156,000	129,000	285,000

2007 Supplemental Request
M2-VN Office Reloc One-Time Costs

Decision Package: DSHS Relocation Costs

Project Title	New/Relocate	No. of Staff	Square Footage	Approximate Total Costs	Control Number	Total FY07 Relocation Cost for the Project	Most Current Estimated Relocation Date	010	040	050	060 Non-DEL	060 DEL
Friday Harbor Collocation	Relocate	7	1,505	\$ 43,567	968	\$ 43,567	Dec-06	\$ 26,532		\$ 5,882	\$ 11,153	
Auburn Community Services Office	New	33	8,000	\$ 162,580	963	\$ 162,580	Jun-07				\$ 162,580	
Seattle Division of Developmental Disabilities-SOLA	Relocate	15	3,250	\$ 78,444	983	\$ 78,444	Jun-07		\$ 78,444			

Total DSHS Relocation Request

Total by Program: \$ 284,591 \$ 284,591 \$ 173,733 \$ - \$ 285,000
 Rounded: \$ 27,000 \$ 78,000 \$ 6,000 \$ 174,000 \$ -
 % of Total Cost: 9.32% 27.56% 2.07% 61.05% 100.00%

Totals:

State	\$	19,000	\$	43,000	\$	3,000	\$	91,000	\$	156,000
Other	\$	8,000	\$	35,000	\$	3,000	\$	83,000	\$	129,000
Total:	\$	27,000	\$	78,000	\$	6,000	\$	174,000	\$	285,000

Construction: \$5 per square foot for extra Tenant Improvements (TI)
 IT Infrastructure: If the space is **less than** 20,000 square feet - \$1,550 per person (\$350 per Voice/Data Jack (3 per person) + \$500 per person)
 IT Infrastructure: If the space is **more than** 20,000 square feet - \$11,000 per person (\$350 per Voice/Data Jack (2 per person)+ \$400 per person)
 Building Infrastructure: \$1.25 per square foot for Security Systems+ \$12,000 for reasonable accommodations
 Equipment Costs: \$750 per person
 Moving Costs: \$300 per person
 Contingency: 10% for extra construction costs, increased material costs, unanticipated change orders

Department of Social and Health Services

DP Code/Title: M2-VT OB-2 Rehabilitation
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$895,000 and 1.0 FTE beginning July 1, 2006 for expenses associated with the upcoming rehabilitation of Office Building -2 (OB-2) DSHS Headquarters.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	181,000	181,000
001-2 General Fund - Basic Account-Federal	0	87,000	87,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	94,000	94,000
Total Cost	0	362,000	362,000

Staffing

Package Description:

DSHS requests \$895,000 and 1.0 FTE for Fiscal Year 2007 for the costs associated with rehabilitating OB-2.

Headquarters operations are housed in Office Building 2 on East Capital Campus, this includes several DSHS Administrations as well as DSHS Executive Management.

The department of General Administration (GA) has a rehabilitation plan for OB-2 that includes the seismic retrofit of the facility. This renovation is required to improve the structural integrity and energy efficiency of the building.

For this renovation to occur, DSHS will have to vacate one quarter of the facility in phases over approximately 18 months. This request includes moving expenses associated with this renovation. Approximately 20,000 square feet of temporary space will have to be leased for DSHS to vacate the necessary space for construction. DSHS will require 1.0 FTE to begin work to support these activities. This FTE will complete DSHS facility programming, move planning, staff communication, and move coordination in collaboration with GA FTEs. This FTE will be responsible for ensuring effective space usage to achieve an anticipated reduction of 22,000 square feet in Thurston County. In order to complete this comprehensive planning a dedicated resource is needed.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This project contributes to the Agency goal to "value and develop employees" and the objective to "provide the infrastructure, information, and systems to help employees do their jobs".

This project will provide approximately 950 DSHS staff with the facilities infrastructure to do their jobs in a safe working environment.

Performance Measure Detail

Agency Level

Reason for change:

Department of Social and Health Services

DP Code/Title: M2-VT OB-2 Rehabilitation
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

This project will support GA's efforts to improve the safety of OB-2 for building tenants during an earthquake. Specifically, it will improve the building structure to increase life safety levels in the event of an earthquake, other natural disaster, or man-made disaster.

In addition, this renovation is expected to improve energy efficiency with the replacement of windows and improvements to the buildings Heating, Ventilation And Cooling (HVAC) systems.

This project is the final phase of GA's multi-phased building rehabilitation. It is important to staff safety to complete this project at this time.

In conjunction with the rehabilitation, the DSHS Communication Room will be consolidated into the Department of Information Services (DIS) Local Area Network (LAN) room located on the Service Level of OB-2. This will allow for better infrastructure support for some of the most critical Information Technology (IT) equipment for DSHS.

Impact on clients and services:

This project is not expected to be disruptive to DSHS client services.

There will be minimal disruption to business operations for building tenants while the phased relocations occur.

Impact on other state programs:

GA will be impacted by this project. GA is responsible for building operations and construction management of this project.

Relationship to capital budget:

GA is submitting a capital budget request to complete the design and construction of this project.

GA's request is OB-2 Rehabilitation, number 1998-1-007. It is estimated to cost \$12.4 million and will be funded by a Certificate of Participation (COP).

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

DSHS considered vacating the building all at once.

Cons:

This model would have increased the costs of temporary relocation to nearly \$13,000,000. This model would have required DSHS to lease approximately 260,000 square feet of temporary space in Thurston County.

Pros:

This would have been less disruptive to staff and services provided in OB-2. This would have allowed construction to occur faster and would have reduced construction costs.

The alternative selected is the best alternative because it will reduce the costs of this project by over half. In addition, this will significantly reduce the amount of temporary leased space to approximately 8% of the other alternative.

This project has not been assessed against best practices. It is being developed and implemented using recently improved

Department of Social and Health Services

DP Code/Title: M2-VT OB-2 Rehabilitation
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

procedures for the construction of DSHS leased space.

Budget impacts in future biennia:

This project is expected to span two biennia. The estimated cost, as assumed based on the current GA schedule, for the 2007-09 biennium is \$2,257,000 and \$2,317,000 for the 2009-11 biennium.

Beyond the 2009-11 biennium, DSHS will continue to incur an estimated \$200,000 annually for the continued maintenance of the LAN room, which is payable to DIS.

In addition, because the Capital Project will be funded through a COP, GA will be increasing the DSHS reimbursable fees to pay for the construction. This will create a fiscal impact to the GA revolving fund in program 145 (Payments to Other Agencies). Estimated costs have not been provided to date from GA. GA is creating a pro forma to document these increased costs.

This remodel is expected to greatly improve the space usage in OB-2, to the point that DSHS will be able to vacate existing DSHS leaseholds. Following the remodel, DSHS will vacate a leased facility.

The shifting of staff in Thurston County is expected to result in a in total lease cost reduction of \$482,000 annually or \$964,000 a biennium.

Distinction between one-time and ongoing costs:

This request is predominantly all one-time costs, except for the cost of the increased charges to DIS for the maintenance of the LAN room. These costs are to pay for the infrastructure DSHS will be using in this room on an ongoing basis.

Effects of non-funding:

If funding is not provided, this project will not occur.

Expenditure Calculations and Assumptions:

See attachment 'AW M2-VT OB-2 Rehabilitation.xls'.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
T Intra-Agency Reimbursements	0	362,000	362,000

Department of Social and Health Services

DP Code/Title: M2-VT OB-2 Rehabilitation
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	181,000	181,000
<i>Total for Fund 001-1</i>		<u>0</u>	<u>181,000</u>	<u>181,000</u>
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
E61L	Food Stamp Program (50%)	0	87,000	87,000
<i>Total for Fund 001-2</i>		<u>0</u>	<u>87,000</u>	<u>87,000</u>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	0	94,000	94,000
<i>Total for Fund 001-C</i>		<u>0</u>	<u>94,000</u>	<u>94,000</u>
Total Overall Funding		<u>0</u>	<u>362,000</u>	<u>362,000</u>

**2007 Supplemental Request
M2-VT OB-2 Rehabilitation**

Worksheet: Summary

Program	Non-TZ Objects by FY				ISSD - TZ				Total		
	2006	2007	Total		2006	2007	Total		2006	2007	Total
010			0		166,000	166,000			0	166,000	166,000
020			0		34,000	34,000			0	34,000	34,000
030			0		34,000	34,000			0	34,000	34,000
040			0		28,000	28,000			0	28,000	28,000
050			0		35,000	35,000			0	35,000	35,000
060			0		362,000	362,000			0	362,000	362,000
070			0		1,000	1,000			0	1,000	1,000
080			0		7,000	7,000			0	7,000	7,000
100			0		10,000	10,000			0	10,000	10,000
110		94,000	94,000		124,000	124,000			0	218,000	218,000
150		801,000	801,000		(801,000)	(801,000)			0	0	0
Total	0	895,000	895,000		0	0	0		0	895,000	895,000

State/Other Split

Program	State				Other				Total		
	2006	2007	Total		2006	2007	Total		2006	2007	Total
010		114,000	114,000		52,000	52,000			166,000	166,000	
020		34,000	34,000		0	0			34,000	34,000	
030		24,000	24,000		10,000	10,000			34,000	34,000	
040		19,000	19,000		9,000	9,000			28,000	28,000	
050		19,000	19,000		16,000	16,000			35,000	35,000	
060		181,000	181,000		181,000	181,000			362,000	362,000	
070		1,000	1,000		0	0			1,000	1,000	
080		7,000	7,000		0	0			7,000	7,000	
100		8,000	8,000		2,000	2,000			10,000	10,000	
110		139,000	139,000		79,000	79,000			218,000	218,000	
150		0	0		0	0			0	0	
Total	0	546,000	546,000		0	349,000	349,000		0	895,000	895,000

2007 Supplemental M2-VT OB-2 Rehabilitation

OB-2 Rehabilitation Summary

STAFF COSTS	FTE'S	COSTS PER ITEM	TOTAL COST	FY07
Facilities Project Manager	1	\$ 95,000	\$ 95,000	\$ 95,000
IT Coordinator	0.5	\$ 48,000	\$ 48,000	\$ -
Total Annual Staffing Estimate			\$ 143,000	\$ 95,000

OB2 COSTS

INFRASTRUCTURE& MOVING COSTS

	NUMBER OF ITEMS	COSTS PER ITEM	TOTAL COST	FY07
Voice and Data Expenses				
DIS Costs				
Relocation and Installation of Equipment		-	-	600,000
DIS Maintenance Costs for Relocation of LAN Room		200,000	200,000	200,000
Subtotal: Total Project Estimate			1,540,000	800,000

GRAND TOTAL	\$ 895,000
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05-07 Biennium \$ 895,000

Assumptions:

Tempoary LAN Room includes: equipment, HVAC, and Set-up

2007 Supplemental M2-VT OB-2 Rehabilitation

OB-2 Rehabilitation Summary

	FY07	FTE	A	B	E	J	TZ	TOTAL
010	Children and Family Services						166,000	166,000
020	Juvenile Rehabilitation						34,000	34,000
030	Mental Health						32,000	32,000
040	Developmental Disabilities						28,000	28,000
050	Aging and Adult Services						35,000	35,000
060	Economic Services						362,000	362,000
070	Alcohol and Substance Abuse						1,000	1,000
080	Medical Assistance						7,000	7,000
100	Vocational Rehabilitation						8,000	8,000
100-1	Deaf & Hard of Hearing						2,000	2,000
110	Administration	1.0	63,000	16,000	7,000	8,000	124,000	218,000
SCC	Special Commitment Center						2,000	2,000
150	Information System Services Division	-	-	-	801,000	-	(801,000)	-
Total		1.0	63,000	16,000	808,000	8,000	-	895,000

80

	Biennial TOTAL	FTE	A	B	E	J	TZ	TOTAL
010	Children and Family Services	-	-	-	-	-	166,000	166,000
020	Juvenile Rehabilitation	-	-	-	-	-	34,000	34,000
030	Mental Health	-	-	-	-	-	32,000	32,000
040	Developmental Disabilities	-	-	-	-	-	28,000	28,000
050	Aging and Adult Services	-	-	-	-	-	35,000	35,000
060	Economic Services	-	-	-	-	-	362,000	362,000
070	Alcohol and Substance Abuse	-	-	-	-	-	1,000	1,000
080	Medical Assistance	-	-	-	-	-	7,000	7,000
100	Vocational Rehabilitation	-	-	-	-	-	8,000	8,000
100-1	Deaf & Hard of Hearing	-	-	-	-	-	2,000	2,000
110	Administration	0.5	63,000	16,000	7,000	8,000	124,000	218,000
SCC	Special Commitment Center	-	-	-	-	-	2,000	2,000
150	Information System Services Division	-	-	-	801,000	-	(801,000)	-
Total		0.5	63,000	16,000	808,000	8,000	-	895,000

**2007 Supplemental
M2-VT OB-2 Rehabilitation**

PROGRAM 110 STAFF COSTS

	FY 06	FY 07	TOTAL
<u>FTE</u>			
Facilities Project Manager	-	1.0	0.5
TOTAL	-	1.0	0.5

OBJECTS

SALARY			
Facilities Project Manager	-	63,000	63,000
TOTAL	-	63,000	63,000

BENEFITS			
Facilities Project Manager	-	16,000	16,000
TOTAL	-	16,000	16,000

GOODS AND SERVICES			
Facilities Project Manager	-	7,000	7,000
TOTAL	-	7,000	7,000

EQUIPMENT			
Facilities Project Manager	-	8,000	8,000
TOTAL	-	8,000	8,000

ISSD-TZ			
Facilities Project Manager	-	1,000	1,000
TOTAL	-	1,000	1,000

TOTAL			
Facilities Project Manager	-	95,000	95,000
TOTAL	-	95,000	95,000

FUNDS

STATE			
Facilities Project Manager	-	61,000	61,000
TOTAL	-	61,000	61,000

FEDERAL			
Facilities Project Manager	-	34,000	34,000
TOTAL	-	34,000	34,000

TOTAL			
Facilities Project Manager	-	95,000	95,000
TOTAL	-	95,000	95,000

2007 Supplemental M2-VT OB-2 Rehabilitation

ISSD Costs

	Staff Costs	Relocation Equipment /Install	Ongoing DIS	LAN Room Equipment	Total
FY2007					
FTE					-
A Salaries					-
B Benefits					-
E Goods & Services		200,000	200,000		400,000
J Equipment		400,000			400,000
TZ Recoveries	-	(600,000)	(200,000)	-	(800,000)
Total	-	-	-	-	-

	FY2006	FY2007
Program TZ Distribution		
010 Children and Family Services	-	166,000
020 Juvenile Rehabilitation	-	34,000
030 Mental Health	-	32,000
040 Developmental Disabilities	-	28,000
050 Aging and Adult Services	-	35,000
060 Economic Services	-	362,000
070 Alcohol and Substance Abuse	-	1,000
080 Medical Assistance	-	7,000
100 Vocational Rehabilitation	-	8,000
100-1 Deaf & Hard of Hearing	-	2,000
110 Administration	-	123,000
SCC Special Commitment Center	-	2,000
150 Information System Services Division	-	-
Total	-	800,000

	Enclosure Distribution	ISSD Enterprise Distribution	Total Cost Distribution
010 Children and Family Services	11.98%	8.77%	20.75%
020 Juvenile Rehabilitation	3.11%	1.10%	4.21%
030 Mental Health	3.11%	0.91%	4.02%
040 Developmental Disabilities	1.56%	1.92%	3.48%
050 Aging and Adult Services	1.56%	2.81%	4.37%
060 Economic Services	19.26%	25.93%	45.19%
070 Alcohol and Substance Abuse	0.00%	0.11%	0.11%
080 Medical Assistance	0.00%	0.93%	0.93%
100 Vocational Rehabilitation	0.00%	1.02%	1.02%
100-1 Deaf & Hard of Hearing	0.31%	0.00%	0.31%
110 Administration	12.45%	2.93%	15.38%
SCC Special Commitment Center	0.00%	0.23%	0.23%
150 Information System Services Division	46.66%	(46.66%)	0.00%
Total	100.00%	0.00%	100.00%

Department of Social and Health Services

DP Code/Title: PL-IP DRA - Medical Child Support

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests 1 FTE and \$93,000 in State Fiscal Year (SFY) 2007 to fund changes needed to the Division of Child Support (DCS) Information Technology (IT) systems. These changes are necessary to meet new federal requirements directed by the Deficit Reduction Act (DRA) of 2005.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	32,000	32,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	0	61,000	61,000
Total Cost	0	93,000	93,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.0	1.0	0.5

Package Description:

DSHS requests 1 FTE and \$93,000 to fund changes needed to the DCS IT systems. These changes are necessary to meet new federal requirements directed by the DRA. DCS provides paternity and order establishment, order modification, and child support collection services when there is an application or referral for services. The current system at DCS enforces private medical insurance provisions for children through the non-custodial parent's employer per child support order provisions that require the non-custodial parents (NCP) to provide private medical insurance for their children, if such insurance is available through their employer or union at a reasonable cost. DCS does not currently have a system in place to monitor or enforce the custodial parent to provide insurance.

The DRA of 2005 requires the state to expand this effort by:

1. DCS is required to pursue private medical insurance from the custodial parent (CP) when insurance is not provided by the non-custodial parent.
2. The DRA further requires states to establish procedures that provide for the recovery of unpaid medical co-pays, deductibles and medical costs for customers currently supported by DCS.

To meet this implementation time frame, IT changes need to be completed during the current state fiscal year.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Ensuring all children are covered by medical insurance by 2010 is one of Governor Gregoire's primary goals for her administration. DCS can play a significant role in that effort by enrolling children in private insurance when child support orders require this. This effort supports the DSHS Strategic Plan per the following:

" Goal A, Initiative 2: "Improve Health Care Quality and Access-Increase the number of children with health insurance."

Furthermore, information from DCS's efforts to obtain private medical insurance are shared with Health and Recovery Services Administration's Coordination of Benefits Unit and to help reduce Medicaid expenditures by shifting costs to private insurance carriers for children in single parent homes.

Department of Social and Health Services

DP Code/Title: PL-IP DRA - Medical Child Support

Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Finally, DCS expects a new federal incentive performance measure that addresses medical insurance soon. Stronger performance in this area by DCS increases its competitiveness for federal performance award dollars.

Performance Measure Detail

Agency Level

Activity: **F010 Child Support Enforcement**

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

Reason for change:

This provision is a federally mandated requirement. Under the DRA, the state must implement the new medical support provisions 90 days after the close of the 2007 legislative session that approves the necessary RCW changes. This quick timeline requires that DCS make the required IT changes in the current state fiscal year.

Impact on clients and services:

DCS currently enforces private medical insurance obligations only against the non-custodial parent when such insurance is available through an employer at a reasonable cost. This provision allows DCS the ability to broaden that effort and pursue custodial parents for private medical insurance in appropriate cases. It also allows DCS the ability to pursue payment for a share of unpaid medical costs, deductibles and co-pays from the non-custodial parent.

This provision supports the Governor's goal of having all children covered by medical insurance by 2010 and positively impacts clients by assisting their children obtain adequate health care coverage.

Impact on other state programs:

None

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

A proposed legislative package has been created to address necessary changes to RCWs. WAC and state plan revisions will also be made as warranted to incorporate these new federal mandates.

Pursuant to the DRA, all child support orders must include a provision for medical support to be provided by either or both parents. Under current Washington law, there is no provision in administrative orders to require CPs to provide medical support. Washington law currently has no provision allowing DCS to enforce medical support against the custodial parent. Additionally, under current law, DCS has been prohibited from calculating and enforcing the NCPs share of premiums, co-payments, deductibles, and medical expenses paid on behalf of the child, unless the CP obtains a judgment for the expenses in court. Under the DRA, DCS has the option of calculating and enforcing these expenses on behalf of the CP.

" RCW 26.23.050 - Medical Support - To amend the statute to require both CPs and NCPs to provide medical insurance coverage pursuant to a support order

" RCW 26.23.110 - Medical Support - To allow DCS to calculate and enforce the NCPs share of medical deductibles, co-pays, and medical expenses paid on behalf of a child.

" RCW 26.18.170 - Medical Support - To include language to require CPs to provide medical insurance coverage in support orders

Department of Social and Health Services

DP Code/Title: PL-IP DRA - Medical Child Support
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

" RCW 74.20A.055, .056 - Medical Support - To include language requiring CPs to provide medical insurance coverage for children in administrative support orders.

Alternatives explored by agency:

This provision is not optional. However, there are some indications per the federal government that there will be flexibility given to state child support programs to create parameters by which cases must be pursued. DCS is working to create the appropriate parameters for casework in this area. Although there will be some flexibility to look at each case's situation independently, ensuring that all children are provided medical insurance will require DCS to look to custodial parent resources for insurance and review unpaid medical costs, co-pays and deductibles on many cases.

Violation of this federal mandate would create a state plan violation and subject the child support program to potential financial sanctions. These IT changes are necessary to comply with the federal law changes.

Budget impacts in future biennia:

Costs associated with IT changes will not carry forward into future biennia.

Distinction between one-time and ongoing costs:

Costs associated with IT changes are one time only costs.

Effects of non-funding:

The mandatory provision must be implemented. Non-funding will displace computer and systems programming enhancements underway that focus on increased collection, streamlining work, and creating system efficiencies. Such efforts are featured in the ESA Performance Plan and GMAP presentations. Non-funding will also require front-line child support staff to divert time away from core collection and asset location activities to perform these functions.

Expenditure Calculations and Assumptions:

See attached spreadsheet ESA PL-IP DRA - Medical Child Support.xls.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	0	58,000	58,000
B Employee Benefits	0	16,000	16,000
E Goods And Services	0	16,000	16,000
J Capital Outlays	0	2,000	2,000
T Intra-Agency Reimbursements	0	1,000	1,000
Total Objects	0	93,000	93,000

State of Washington
Decision Package
Department of Social and Health Services

FINAL

DP Code/Title: PL-IP DRA - Medical Child Support
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	32,000	32,000
<i>Total for Fund 001-1</i>		0	32,000	32,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
563I	Title IV-D Child Support Enforcement (A) (66%)	0	61,000	61,000
<i>Total for Fund 001-A</i>		0	61,000	61,000
Total Overall Funding		0	93,000	93,000

2007 Supplemental PL-IP DRA - Medical Child Support

Medical Insurance

		<u>SFY 06</u>	<u>SFY 07</u>
Expenditures by Objects			
Salaries	A	0	58,000
Benefits	B	0	16,000
Goods & Services	E	0	16,000
Equipment	J	0	2,000
Data Processing - ISSD	TZ	0	1,000
Total by Objects		<u>0</u>	<u>93,000</u>

Expenditures by Fund

State	001-1	0	32,000
Federal	001-2	0	61,000
Total by Fund		<u>0</u>	<u>93,000</u>

FTE Cost	0.00	1.00
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Assumptions:

1. Programming time to the Support Enforcement Management System is estimated at 1 FTE at an ITS 5 level.

Staffing hours estimated assume an average monthly hours available are 138.

ITS 5 calculations are range 62 step F.

Department of Social and Health Services

DP Code/Title: PL-IX IVR Upgrade
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Economic Services Administration (ESA) requests \$398,000 to make improvements to its Interactive Voice Response System (IVR).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	207,000	207,000
001-2 General Fund - Basic Account-Federal	0	95,000	95,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	96,000	96,000
Total Cost	0	398,000	398,000

Staffing

Package Description:

ESA requests \$398,000 to make improvements to its IVR. Recently, DSHS, specifically ESA was awarded a high performance bonus of \$4.8 million for improved payment accuracy in the food stamp program. ESA proposes to access a portion of those funds to hold a series of training events focused on program integrity and customer access. ESA is proposing changes to its IVR system that will allow clients more access to necessary information about their cases more efficiently. This is a two-pronged approach.

The first part is an effort to expand the capabilities of the current Answer Phone system by allowing clients the option to use the Answer Phone System when they call a Customer Service Center. Currently clients must call the Answer Phone directly to have that option.

The second part would develop an IVR application that would automate the process of searching for a client's case for incoming calls to Customer Service Centers. This system would allow the client's file to "pop up" on the staff person's screen when the call is answered, allowing staff to more efficiently and quickly serve clients. The new IVR technology is intended to reduce the client's wait time and allow staff to serve more clients with greater efficiency.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Goal E. Increase Employment and Self-Sufficiency.

Objective 1. Quickly connect individuals and families to the cash, medical, and work-related and other benefits and services they need.

Performance Measure Detail

Agency Level

Activity: F078 Program Support

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Reason for change:

These changes are being proposed as methods to more efficiently serve clients and increase the amount of time staff can

Department of Social and Health Services

DP Code/Title: PL-IX IVR Upgrade
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

spend working directly with clients.

Impact on clients and services:

Clients would have faster and better access to information about their cases and would reduce the wait time at Customer Service Centers.

Impact on other state programs:

None

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

These proposals were originally suggested as an effective use of the High Performance Bonus recently received by ESA for increased payment accuracy in the food stamp program.

Budget impacts in future biennia:

While most costs are one time only, some costs related to increased Department Information Systems (DIS) costs/chargebacks would impact future biennia.

Distinction between one-time and ongoing costs:

Costs related to increased DIS chargebacks are ongoing. All other costs are one time only.

Effects of non-funding:

If not funded, ESA will continue to do business as currently able. However, increasing caseloads may adversely impact the quality and speed of service available to clients.

Expenditure Calculations and Assumptions:

See attached spreadsheet ESA PL - IX IVR Upgrade.xls.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	0	345,000	345,000
T Intra-Agency Reimbursements	0	53,000	53,000
Total Objects	0	398,000	398,000

Department of Social and Health Services

DP Code/Title: PL-IX IVR Upgrade
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	207,000	207,000
Total for Fund 001-1		0	207,000	207,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
E61L	Food Stamp Program (50%)	0	95,000	95,000
Total for Fund 001-2		0	95,000	95,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	0	96,000	96,000
Total for Fund 001-C		0	96,000	96,000
Total Overall Funding		0	398,000	398,000

2007 Supplemental ESA PL - IX IVR Upgrade

	Extend Answer Phone		Client Search - Screen Pops		
One time	\$	60,000	\$	285,000	\$ 345,000
Ongoing	\$	29,100	\$	23,700	\$ 52,800
	\$	89,100	\$	308,700	\$ 397,800
001-1	\$	46,332	\$	160,524	\$ 206,856
001-2	\$	42,768	\$	148,176	\$ 190,944
	\$	89,100	\$	308,700	\$ 397,800
ER	\$	60,000	\$	285,000	\$ 345,000
T	\$	29,100	\$	23,700	\$ 52,800
	\$	89,100	\$	308,700	\$ 397,800

Department of Social and Health Services

DP Code/Title: PL-IY Payment Accuracy Training
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) Economic Services Administration (ESA) requests \$250,000 to fund training focused on program integrity and customer access.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	130,000	130,000
001-2 General Fund - Basic Account-Federal	0	60,000	60,000
001-C General Fund - Basic Account-DSHS Medicaid Federal	0	60,000	60,000
Total Cost	0	250,000	250,000

Staffing

Package Description:

ESA requests \$250,000 to fund training focused on program integrity and customer access. Recently, DSHS, specifically ESA was awarded a high performance bonus of \$4.8 million for improved payment accuracy in the food stamp program. ESA proposes to access a portion of those funds to hold a series of training events focused on program integrity and customer access. The trainings will include management and direct client service staff and will be held in various locations throughout the state. These proposed payment accuracy trainings are essential to maintain and improve program integrity and quality for all programs. They will serve to encourage staff at all levels to understand their individual contributions to the overall success of our agency's programs. They will further provide staff with specific tools, methods, and resources to meet this goal.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This proposal contributes directly towards meeting the following Economic Service Administration goals:

ESA Goal: Quickly connect individuals and families to the cash, medical, work-related, and other services and benefits they need.

Timeliness is a critical part of quality services. The topic of timeliness will be covered in the training and there will be opportunity for best practices from across the state to be shared with staff.

ESA Goal: Provide responsive, accurate, and timely delivery of services to families and individuals who apply for benefits.

This training will focus on meeting this goal. Payment accuracy and timeliness will be the central themes of the training. Staff will be provided the opportunity to gain clarity around quality issues and to refresh themselves on eligibility requirements and skills.

ESA Goal: Improve access, relevance, and quality of training and professional development for staff.

This proposal will provide staff with relevant and high quality training that will assist them in their day-to-day work. We expect that as a result of this training the agency will realize an overall decrease in audit findings.

Department of Social and Health Services

DP Code/Title: PL-IY Payment Accuracy Training
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

Performance Measure Detail

Agency Level

Activity: **F078 Program Support**

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

Reason for change:

Many factors in our current environment are creating the need for staff payment accuracy training. Increased focus on performance and program integrity have taken many forms, including the passage of Initiative 900 in November 2005, which authorized an estimated \$19 million to the State Auditor's Office to conduct performance audits of all government entities in the state. In addition, the Governor's GMAP initiatives have created an environment where it is essential for ESA to focus on program integrity for all of the programs it administers.

In addition, problems identified in prior years' audits have not been uniformly corrected, and have consequently been cited as repeat findings. In addition, there is increasing scrutiny of the medical caseload that is expected to increase in intensity and scope over the next several years.

Finally, ESA has experienced significant growth in caseloads, without realizing comparable staffing increases. These trainings will prepare our staff and offices to meet these and other challenges.

Impact on clients and services:

The clients we serve rely on timely and accurate services from our department. Payment errors affect our customers at a very personal and uncomfortable level. This proposal requests additional resources that will serve to increase our system's efficiency and accuracy and our ability to serve our communities' most needy citizens despite the increased workloads our offices are experiencing. During the training best practices will be widely shared and discussed.

Impact on other state programs:

Increased accuracy in determining eligibility for the medical assistance population could have a positive impact on Medical Assistance payments.

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

Many training proposals were proposed and reviewed. This proposal is an attempt to share best practices and improve processes in the Community Service Office's and will reach a wide variety of staff with a very consistent message at a reasonable cost.

Budget impacts in future biennia:

None

Distinction between one-time and ongoing costs:

Department of Social and Health Services

DP Code/Title: PL-IY Payment Accuracy Training
Program Level - 060 Economic Services Admin

Budget Period: 2005-07 Version: F3 060 2005-07 Agency Request 2007 Sup

All costs are one time only.

Effects of non-funding:

This proposal gives the agency a unique opportunity to address quality assurance issues with a large proportion of our staff simultaneously. Without this training the agency will have reduced capacity to prevent payment errors as caseloads increase and federal requirements change.

Expenditure Calculations and Assumptions:

See attached spreadsheet ESA PL - IY Payment Accuracy Training.xls.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	0	15,000	15,000
G Travel	0	235,000	235,000
Total Objects	0	250,000	250,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	0	130,000	130,000
Total for Fund 001-1	0	130,000	130,000
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources</u> <u>Title</u>			
E61L Food Stamp Program (50%)	0	60,000	60,000
Total for Fund 001-2	0	60,000	60,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa			
<u>Sources</u> <u>Title</u>			
19UL Title XIX Admin (50%)	0	60,000	60,000
Total for Fund 001-C	0	60,000	60,000
Total Overall Funding	0	250,000	250,000

2007 Supplemental PL - IY Payment Accuracy Training

Assume 1500 staff attend training statewide	1500		
Per diem for 2 days per staff	\$51.50 per day	\$	154,500
Lodging (30% staff and trainers)	\$60 per day	\$	54,000
Mileage costs (estimated that 50% will travel 50+ miles)	0.445 per mile	\$	16,688
Room Rentals / Materials			
6 rooms @ \$1200 per room per day		\$	14,400
Materials		\$	10,000
		\$	250,000

By holding 6 trainings around the state, ESA reduces the travel costs associated with the trainings.

GFS	\$	130,000
GFF	\$	120,000
	<u>\$</u>	<u>250,000</u>

2007 Supplemental Request
M2-PK Network Transition Costs

Worksheet: Data

	July	August	September	October	November	December	January	February	March	April	May	June
Fiscal Year 2005	\$221,369	\$226,076	\$223,392	\$223,152	\$220,123	\$222,676	\$224,129	\$224,763	\$235,425	\$223,903	\$222,562	\$225,736
Fiscal Year 2006	\$224,038	\$221,814	\$239,083	\$232,657	\$239,429	\$228,665	\$232,322	\$242,183	\$239,522	\$228,164	\$233,759	\$234,513
Fiscal Year 2007	\$233,077	\$249,798	\$236,471	\$236,471	\$242,590	\$253,710	\$254,829	\$262,889	\$260,949	\$272,068	\$278,188	\$284,307